

AMENDED IN SENATE FEBRUARY 14, 2009

AMENDED IN ASSEMBLY JANUARY 7, 2009

CALIFORNIA LEGISLATURE—2009–10 THIRD EXTRAORDINARY SESSION

ASSEMBLY BILL

No. 4

Introduced by Assembly Member Evans

January 5, 2009

~~An act relating to the Budget Act of 2008.~~ *An act to amend Sections 2558.46, 14041.5, 17592.71, 41203.1, 42238, 42238.146, 52124, and 60119 of, to amend, repeal, and add Section 17584.1 of, to add Sections 14041.6, 17070.766, 17592.74, 41207.3, 42238.49, 42605, 52124.3, and 92612.5 to, and to add and repeal Sections 1240.3 and 60422.1 of, the Education Code, to amend Items 6110-196-0001, 6110-234-0001, 6110-488, 6870-101-0001, and 6870-295-0001 of, to add Items 6110-111-0046 and 6110-111-3116 to, and to repeal Item 6110-111-0001 of, Section 2.00 of, and to add Section 12.42 to, and to repeal Sections 12.40 and 35.80 of, the Budget Act of 2008 (Chapters 268 and 269 of the Statutes of 2008), and to amend Sections 34, 35, and 37 of, and to repeal Section 33 of, Chapter 757 of the Statutes of 2008, relating to education finance, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.*

LEGISLATIVE COUNSEL'S DIGEST

AB 4, as amended, Evans. ~~Budget Act of 2008.~~ *Education finance.*

(1) Existing law requires the county superintendent of schools of each county, among other specified duties, to make annual visits to each school in his or her county at reasonable intervals to observe its operation and to learn of its problems. Existing law requires that the

priority objective of those visits be the determination of whether each school has sufficient textbooks, as defined.

This bill would revise the definition of sufficient textbooks for the 2008–09 and 2009–10 fiscal years and, during those fiscal years, would require a county superintendent of schools to use that revised definition to determine whether a school has sufficient textbooks. The bill would make these provisions inoperative on July 1, 2010, and repeal them on January 1, 2011.

(2) Existing law requires a revenue limit to be calculated for each county superintendent of schools, adjusted for various factors, and reduced, as specified. Existing law reduces the revenue limit for each county superintendent of schools for the 2008–09 fiscal year by a deficit factor of 4.396%.

This bill would instead reduce the revenue limit for each county superintendent of schools for the 2008–09 fiscal year by a deficit factor of 7.839%, and for the 2009–10 fiscal year by a deficit factor of 13.360%.

(3) Existing law specifies that the amount apportioned for revenue limits for a school year that are be deemed to attributed to the minimum funding obligation for school districts and community college districts for the following fiscal year shall be \$715,118,000.

This bill would change that amount and set the amount at \$1,101,655,000 for the 2008–09 and each school year thereafter.

(4) Existing law requires the Controller to draw warrants on the State Treasury in favor of the county treasurer of each county in each month of each year in prescribed amounts and in a prescribed manner.

This bill, commencing with the 2008–09 fiscal year, would require the warrants for the principal apportionments for the month of February in the amount of \$2,000,000,000 to be drawn in July of the same calendar year and would require those warrants to be applied toward the minimum funding requirements for school districts and community college districts imposed by Section 8 of Article XVI of the California Constitution for the year in which they are drawn.

(5) The Leroy F. Greene School Facilities Act of 1998 requires the State Allocation Board to require school districts applying for funds under that act to deposit, into a specified account for ongoing and major maintenance of school buildings, an amount equal to or greater than 3% of the total general fund expenditures of the applicant school district.

This bill, for the 2008–09 to the 2012–13 fiscal years, inclusive, would reduce that deposit requirement to an amount equal to or greater than 1% of the total general fund expenditures of the applicant school district.

(6) Existing law requires a governing board of a school district to discuss proposals and plans for expenditure of funds for the deferred maintenance of school district facilities at a regularly scheduled public hearing. Existing law requires the governing board to make a report on the district's spending priorities for the current fiscal year to the Legislature, with copies to the Superintendent of Public Instruction, the State Board of Education, the Department of Finance, and the State Allocation Board, by March 1 of any year that the school district does not set aside prescribed funds for the deferred maintenance of its facilities.

This bill would make this report requirement inoperative for the 2008–09 to 2012–13 fiscal years, inclusive.

(7) Existing law directs that an amount of moneys be transferred in the annual Budget Act from the Proposition 98 Reversion Account to the School Facilities Emergency Repair Account. The amount to be transferred is required to equal 50% of the unappropriated balance of the Proposition 98 Reversion Account or \$100,000,000, whichever amount is greater. The moneys transferred are required to be used for the purpose of addressing emergency facilities needs.

This bill, for the 2009–10 fiscal year, would reduce the amount required to be transferred pursuant to the requirement above to zero.

The bill would prohibit funds provided to school districts from the School Facilities Emergency Repair Account for the purpose of emergency repair grants from being used either to supplant funds provided to local educational agencies for the deferred maintenance of school facilities pursuant to specified statutes or for deposit into a school district deferred maintenance fund for expenditure for specified purposes.

(8) Existing law requires, for the 1990–91 fiscal year and each fiscal year thereafter, that moneys to be applied by the state for the support of school districts, community college districts, and direct elementary and secondary level instructional services provided by the state be distributed in accordance with certain calculations governing the proration of those moneys among the 3 segments of public education. Existing law makes that provision inapplicable to the fiscal years between the 1992–93 and 2008–09, inclusive.

This bill would make that provision inapplicable to the 2009–10 fiscal year.

(9) The California Constitution requires the state to apply a minimum amount of funding for each fiscal year for the support of school districts and community college districts. The Superintendent of Public Instruction and the Director of Finance, by January 1, 2006, are required to jointly determine the outstanding balance of the minimum funding obligation to school districts and community college districts pursuant to the California Constitution for the 1995–96 to 2003–04 fiscal years, inclusive. Existing law, commencing with the 2006–07 fiscal year, annually appropriates \$150,000,000 from the General Fund to the Controller for allocation to school districts and community college districts for the purpose of discharging in full the outstanding balance of the minimum funding obligation to school districts and community college districts pursuant to the California Constitution. Existing law cancels that annual appropriation for the 2008–09 fiscal year.

This bill, in addition, would provide that, if the Superintendent and the Director of Finance jointly determine that, for the 2008–09 fiscal year, the state has applied moneys for the support of school districts and community college districts in an amount that exceeds the minimum amount required for that fiscal year pursuant to the California Constitution, the bill would deem \$1,100,590,000, as of June 30 of that fiscal year, as a payment in satisfaction of the outstanding balance, as defined, of the minimum funding obligation under that section for the 2002–03 and 2003–04 fiscal years, as specified.

(10) Existing law requires a revenue limit to be calculated for each school district and each county superintendent of schools and requires the amount of the revenue limit to be adjusted for various factors.

This bill would, for the 2011–12 fiscal year, require the Superintendent to compute an equalization adjustment for each school district so that the prior year base revenue limit per unit of average daily attendance of a school district is not less than the prior year base revenue limit per unit of average daily attendance above which fall not more than 10% of the total statewide units of average daily attendance for the appropriate size and type of school district.

(11) Existing law requires the county superintendent of schools to determine a revenue limit for each school district in the county, and requires the amount of the revenue limit to be adjusted for various factors. Existing law reduces the revenue limit for each school district for the 2008–09 fiscal year by a deficit factor of 4.713%.

This bill would instead reduce the revenue limit for each school district for the 2008–09 fiscal year by a deficit factor of 7.844%, and for the 2009–10 fiscal year by a deficit factor of 13.094%.

(12) Existing law establishes various categorical education programs and appropriates the funding for those programs in the annual Budget Act. That act authorizes local educational agencies to expend up to 10% of the amount apportioned under specified categorical education programs for the purposes of any other program for which the recipient is eligible for funding, as specified.

This bill would instead reduce by a percentage, calculated as specified, the appropriations made in the Budget Act of 2008 to school districts and county offices of education in enumerated items that fund specified categorical education programs. The bill would authorize school districts, for the 2008–09 to 2012–13 fiscal years, inclusive, to use the funds received pursuant to any of those budget items, with specified exceptions, for any educational purpose, to the extent permitted by federal law. The school districts and county offices of education would be required, at a regularly scheduled, open, public hearing, to take testimony from the public, discuss, and approve or disapprove the proposed use of funding, and to report to the State Department of Education, in the existing annual Standardized Accounting System reporting process, the purposes for which the funds were used and the amounts used for each of those purposes. The department would be required to collect and provide this information to the appropriate legislative policy and budget committees and the Department of Finance by February 28, 2010.

(13) Existing law establishes the Class Size Reduction Program under which a participating school district or county office of education reduces class size to 20 pupils per class in kindergarten and grades 1 to 3, inclusive. If a school district or county office of education receives funding for a class but fails to reduce the size of that class to 20 pupils, the school district or county office of education suffers a reduction in its next principal apportionment of state funds.

This bill would reduce the amount of this penalty for the 2008–09, 2009–10, 2010–11 and 2011–12 fiscal years, as specified.

(14) The Pupil Textbook and Instructional Materials Incentive Program Act requires the governing board of a school district to hold a public hearing and make a determination as to whether each pupil in each school in the district has sufficient textbooks or instructional materials in the subjects of mathematics, science, history-social science,

and English/language arts that are aligned to the adopted content standards and that are consistent with the content and cycles of the curriculum framework adopted by the State Board of Education. Existing law subjects school districts that receive funds from any state source to this and specified requirements only in a fiscal year in which the Superintendent of Public Instruction determines that the base revenue limit for each school district will increase by at least 1% per unit of average daily attendance from the prior fiscal year.

This bill would delete the condition related to the increase in revenue limit funding so that school districts would be subject to the requirements when they receive funds for instructional materials from any state source.

(15) Existing law establishes the Instructional Materials Funding Realignment Program that requires the State Department of Education to apportion funds to school districts and requires the governing board of a school district to use that funding to ensure that each pupil is provided with a standards-aligned textbook or basic instructional materials by the beginning of the first school term that commences no later than 24 months after those materials were adopted by the State Board of Education, except as specified.

This bill, until July 1, 2010, would exempt school districts from that requirement.

(16) Existing law establishes a statewide system of public postsecondary education that includes, among other segments, the various campuses of the University of California, which is administered by the Regents of the University of California.

This bill would state the intent of the Legislature that no new General Fund augmentation be made available for contributions to the University of California Retirement Plan.

(17) Existing law appropriates \$39,780,000 from the General Fund to the Board of Governors of the California Community Colleges, in augmentation of an amount appropriated pursuant to a specified item in the Budget Act of 2008, to provide a 0.68% cost-of-living adjustment to apportionments to community college districts for expenditure during the 2008–09 fiscal year.

This bill would repeal this provision.

(18) Existing law appropriates \$388,283,000 from the General Fund to the State Department of Education for 10 specified programs according to a specified schedule, and requires the department to encumber these funds by July 1, 2009. This appropriation reflects the

June 2009 principal apportionment that is deferred to July 2009. Included in this appropriation is \$52,583,000 for home-to-school transportation.

This bill would eliminate that appropriation for home-to-school transportation and instead would appropriate \$570,000,000 for class size reduction in kindergarten and grades 1 to 3, inclusive. The bill would increase the total appropriation from \$388,283,000 to \$905,700,000 to reflect the February 2009 principal apportionment and the 2009 payment for class size reduction in kindergarten and grades 1 to 3, inclusive. The funds appropriated would be applied toward the minimum funding requirements for school districts and community college districts imposed by Section 8 of Article XVI of the California Constitution for the 2009–10 fiscal year.

(19) The Budget Act of 2008 appropriates \$200,000,000 from the General Fund to the Board of Governors of the California Community Colleges for expenditure during the 2009–10 fiscal year.

This bill would increase that appropriation to a total of \$540,000,000, and would defer the disbursement of those funds until July 2010. The amount appropriated would represent \$115,000,000 of the January apportionment to community college districts, \$115,000,000 of the February apportionment to those districts, \$55,000,000 of the March apportionment and \$55,000,000 of the April apportionment, and \$200,000,000 of the June apportionment of those districts. The funds appropriated would be applied toward the minimum funding requirements for school districts and community college districts imposed by Section 8 of Article XVI of the California constitution for the 2009–10 fiscal year.

(20) Existing law provides no cost-of-living adjustment for specified education programs for the 2008–09 fiscal year.

This bill would add the categorical block grant for charter schools to the list of programs not receiving a cost-of-living adjustment for the 2008–09 fiscal year.

(21) The Budget Act of 2008 makes various appropriations for purposes of public education.

This bill would reduce or eliminate specified appropriations made in that Budget Act.

(22) This bill would appropriate \$198,446,000 from the Public Transportation Account in the State Transportation Fund to the State Department of Education for purposes of home-to-school transportation, to be allocated as specified.

(23) *This bill would appropriate \$420,268,000 from the Mass Transportation Fund to the State Department of Education for purposes of home-to-school transportation, to be allocated as specified.*

(24) *The Budget Act of 2008 makes various appropriations for purposes of child care and development programs.*

This bill would reduce specified General Fund appropriations made in that Budget Act for those purposes. The bill also would reappropriate the unobligated balances from other specified appropriations to the State Department of Education for CalWORKs Stage 2 Child Care services, as specified.

(25) *This bill would reappropriate for the 2008–09 fiscal year prescribed amounts or the unexpended balance of specified appropriations made in specified prior Budget Acts to the State Department of Education for allocation to the Class Size Reduction Program in kindergarten and grades 1 to 3, inclusive.*

(26) *This bill would appropriate \$958,283,000 from the General Fund to the State Department of Education for 11 specified programs according to a specified schedule and would require the department to encumber these funds by July 31, 2010. The bill would provide that, for purposes of satisfying the minimum annual funding obligation for school districts required by the California Constitution, the appropriated funds are General Fund revenues appropriated for school districts and community college districts for the 2010–11 fiscal year.*

(27) *Existing law requires the Board of Governors of the California Community Colleges to adopt regulations providing for the payment of apportionments to community college districts on a schedule to include an advance apportionment on or before July 15 of each year, and a first and 2nd principal apportionment on or before February 20 and June 25 of each year, respectively.*

Existing law requires the Controller to draw warrants on the State Treasury in favor of the county treasurer of each county in each month of each year during the fiscal year from the State School Fund to the school districts under the jurisdiction of the county superintendent of schools of the county, to the county school service fund, and to the county school tuition fund of the county. Warrants for 6% of specified amounts allowed to the county school service funds and 6% of specified amounts apportioned to school districts and county school service funds for classes maintained by county superintendents of schools and to the county service fund are required to be drawn in July. For the 2008–09 fiscal year only the entire amount of the July warrant for the county

school service fund and a specified percentage of the amount of the July warrant for school district apportionments, county school service fund apportionments for classes maintained by the county superintendent of schools, and county school tuition fund apportionments are deferred to the warrants drawn in September.

This bill would defer \$200,000,000 of the July 2009 community college advance apportionment to October 2009. The bill also would defer \$1,000,000,000 of the July 2009 and \$1,500,000,000 of the August 2009 apportionments for local educational agencies that maintain kindergarten or any of grades 1 to 12, inclusive, to October 2009.

(28) This bill would appropriate \$540,000,000 from the General Fund to the Board of Governors of the California Community Colleges for expenditure during the 2010–11 fiscal year according to a specified item in the Budget Act of 2009. The bill would defer until July 2011 the disbursement of those funds. The amount appropriated would represent \$115,000,000 of the January apportionment to community college districts, \$115,000,000 of the February apportionment to those districts, \$55,000,000 of the March apportionment and \$55,000,000 of the April apportionment, and \$200,000,000 of the June apportionment to those districts. The bill would provide that, for purposes of satisfying the minimum annual funding obligation for community college districts required by the California Constitution, those funds are General Fund revenues appropriated for community college districts for the 2010–11 fiscal year.

(29) Existing law requires the Superintendent of Public Instruction, the Controller, and the Director of Finance to develop standards and criteria to be reviewed by the State Board of Education and to be used by local educational agencies in the development of annual budgets and the management of subsequent expenditures from those budgets.

This bill, for the 2008–09 fiscal year only, would authorize the governing board of a school district or county office of education to use up to 100% of the balances, as of June 30, 2008, of restricted accounts in its general fund or cafeteria fund, excluding restricted reserves committed for capital outlay, bond funds, sinking funds, federal funds, and balances in designated programs.

(30) This bill would require the Superintendent of Public Instruction to reduce the principal apportionment for school districts and county offices of education for the 2008–09 fiscal year, as necessary, if, during that fiscal year, the Controller has disbursed funds from the appropriations reduced by the bill in amounts greater than the amounts

remaining in those appropriations following the reductions and the Superintendent determines there is no other way to recover the funds that have been disbursed during the 2008–09 fiscal year.

(31) This bill would set the cost-of-living adjustment for community day schools, for specified items in the Budget Act of 2009, and for specified items in the Budget Act of 2008 for the 2009–10 fiscal year at 0% notwithstanding the cost-of-living adjustment specified in existing statutes.

(32) This bill would require funds appropriated pursuant to specified items in the Budget Act of 2009 to be encumbered by July 31, 2010.

(33) The California Constitution authorizes the Governor to declare a fiscal emergency and to call the Legislature into special session for that purpose. The Governor issued a proclamation declaring a fiscal emergency, and calling a special session for this purpose, on December 19, 2008.

This bill would state that it addresses the fiscal emergency declared by the Governor by proclamation issued on December 19, 2008, pursuant to the California Constitution.

(34) This bill would declare that it is to take effect immediately as an urgency statute.

~~This bill would express the intent of the Legislature to make statutory changes relating to the Budget Act of 2008.~~

~~The California Constitution authorizes the Governor to declare a fiscal emergency and to call the Legislature into special session for that purpose. The Governor issued a proclamation declaring a fiscal emergency, and calling a special session for this purpose, on December 19, 2008.~~

~~This bill would state that it addresses the fiscal emergency declared by the Governor by proclamation issued on December 19, 2008, pursuant to the California Constitution.~~

Vote: ~~majority~~^{2/3}. Appropriation: ~~no~~ yes. Fiscal committee: ~~no~~ yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 1240.3 is added to the Education Code,
- 2 to read:
- 3 1240.3. (a) For the purposes of Section 1240, for the 2008–09
- 4 and 2009–10 fiscal years, sufficient textbooks or instructional
- 5 materials include standards-aligned textbooks or instructional

1 *materials, or both, that were adopted prior to July 1, 2008, by the*
2 *state board or local educational agency pursuant to statute, unless*
3 *those local educational agencies purchased or arranged to*
4 *purchase textbooks or instructional materials adopted by the state*
5 *board after that date. It is the intent of the Legislature that each*
6 *local educational agency provide each pupil with the same*
7 *state-adopted, standards-aligned textbook or instructional material*
8 *as is provided to every other pupil enrolled in the same grade and*
9 *same course offered by the local educational agency.*

10 *(b) Notwithstanding Section 1240 or any other law, for the*
11 *2008–09 and 2009–10 fiscal years, a county superintendent of*
12 *schools, in making visits to schools as specified in Section 1240,*
13 *shall determine the status of sufficient textbooks as defined in*
14 *subdivision (a).*

15 *(c) This section shall become inoperative on July 1, 2010, and,*
16 *as of January 1, 2011, is repealed, unless a later enacted statute*
17 *that is enacted before January 1, 2011, deletes or extends the dates*
18 *on which it becomes inoperative and is repealed.*

19 *SEC. 2. Section 2558.46 of the Education Code is amended to*
20 *read:*

21 2558.46. (a) (1) For the 2003–04 fiscal year, the revenue limit
22 for each county superintendent of schools determined pursuant to
23 this article shall be reduced by a 1.195 percent deficit factor.

24 (2) For the 2004–05 fiscal year, the revenue limit for each county
25 superintendent of schools determined pursuant to this article shall
26 be reduced by a 0.323 percent deficit factor.

27 (3) For the 2003–04 and 2004–05 fiscal years, the revenue limit
28 for each county superintendent of schools determined pursuant to
29 this article shall be reduced further by a 1.826 percent deficit factor.

30 (4) For the 2005–06 fiscal year, the revenue limit for each county
31 superintendent of schools determined pursuant to this article shall
32 be reduced further by a 0.898 percent deficit factor.

33 (5) For the 2008–09 fiscal year, the revenue limit for each county
34 superintendent of schools determined pursuant to this article shall
35 be reduced by a ~~4.396~~ 7.839 percent deficit factor.

36 *(6) For the 2009–10 fiscal year, the revenue limit for each*
37 *county superintendent of schools determined pursuant to this article*
38 *shall be reduced by a 13.360 percent deficit factor.*

39 (b) In computing the revenue limit for each county
40 superintendent of schools for the 2006–07 fiscal year pursuant to

1 this article, the revenue limit shall be determined as if the revenue
2 limit for that county superintendent of schools had been determined
3 for the 2003–04, 2004–05, and 2005–06 fiscal years without being
4 reduced by the deficit factors specified in ~~this section~~ *subdivision*
5 *(a)*.

6 (c) In computing the revenue limit for each county
7 superintendent of schools for the ~~2009–10~~ 2010–11 fiscal year
8 pursuant to this article, the revenue limit shall be determined as if
9 the revenue limit for that county superintendent of schools had
10 been determined for the ~~2008–09~~ 2009–10 fiscal year without
11 being reduced by the deficit factors specified in ~~this section~~
12 *subdivision (a)*.

13 *SEC. 3. Section 14041.5 of the Education Code is amended to*
14 *read:*

15 14041.5. (a) Notwithstanding subdivision (a) of Section 14041,
16 commencing with the 2002–03 fiscal year, warrants for the
17 principal apportionments for the month of June instead shall be
18 drawn in July of the same calendar year pursuant to the certification
19 made pursuant to Section 41335.

20 (b) Except as provided in subdivisions (c) and (d), for purposes
21 of making the computations required by Section 8 of Article XVI
22 of the California Constitution, the warrants drawn pursuant to
23 subdivision (a) shall be deemed to be “General Fund revenues
24 appropriated to school districts,” as defined in subdivision (c) of
25 Section 41202 for the fiscal year in which the warrants are drawn
26 and included within the “total allocations to school districts and
27 community college districts from General Fund proceeds of taxes
28 appropriated pursuant to Article XIII B” as defined in subdivision
29 (e) of Section 41202, for the fiscal year in which the warrants are
30 drawn.

31 (c) For the 2003–04 school year, the amount of apportionments
32 for revenue limits computed pursuant to Section 42238 from any
33 of the apportionments made pursuant to Section 14041 that are
34 deemed “General Fund revenues appropriated for school districts,”
35 as defined in subdivision (c) of Section 41202 for the following
36 fiscal year and included within the “total allocations to school
37 districts and community college districts from General Fund
38 proceeds of taxes appropriated pursuant to Article XIII B” as
39 defined in subdivision (e) of Section 41202, for the ~~2004–05~~
40 2004–05 fiscal year shall be seven hundred twenty-six million two

1 hundred seventy thousand dollars (\$726,270,000). Any amount in
2 excess of seven hundred twenty-six million two hundred seventy
3 thousand dollars (\$726,270,000) that is apportioned in July of 2004
4 is deemed “General Fund revenues appropriated for school
5 districts,” as defined in subdivision (c) of Section 41202 for the
6 2003–04 fiscal year and included within the “total allocations to
7 school districts and community college districts from General Fund
8 proceeds of taxes appropriated pursuant to Article XIII B” as
9 defined in subdivision (e) of Section 41202, for the 2003–04 fiscal
10 year.

11 (d) For the 2004–05 school year, ~~and each school year thereafter~~
12 ~~to the 2007–08 school year, inclusive,~~ the amount of
13 apportionments for revenue limits computed pursuant to Section
14 42238 from any of the apportionments made pursuant to Section
15 14041 that are deemed “General Fund revenues appropriated for
16 school districts,” as defined in subdivision (c) of Section 41202
17 for the following fiscal year and included within the “total
18 allocations to school districts and community college districts from
19 General Fund proceeds of taxes appropriated pursuant to Article
20 XIII B” as defined in subdivision (e) of Section 41202, for the
21 following fiscal year shall be seven hundred fifteen million one
22 hundred eighteen thousand dollars (\$715,118,000). Any amount
23 in excess of seven hundred fifteen million one hundred eighteen
24 thousand dollars (\$715,118,000) that is apportioned in July of any
25 year is deemed “General Fund revenues appropriated for school
26 districts,” as defined in subdivision (c) of Section 41202 for the
27 prior fiscal year and included within the “total allocations to school
28 districts and community college districts from General Fund
29 proceeds of taxes appropriated pursuant to Article XIII B” as
30 defined in subdivision (e) of Section 41202, for the prior fiscal
31 year.

32 (e) *For the 2008–09 school year, and each school year*
33 *thereafter, the amount of apportionments for revenue limits*
34 *computed pursuant to Section 42238 from any of the*
35 *apportionments made pursuant to Section 14041 that are deemed*
36 *“General Fund revenues appropriated for school districts,” as*
37 *defined in subdivision (c) of Section 41202 for the following fiscal*
38 *year and included within the “total allocations to school districts*
39 *and community college districts from General Fund proceeds of*
40 *taxes appropriated pursuant to Article XIII B” as defined in*

subdivision (e) of Section 41202, for the following fiscal year shall be one billion one hundred one million six hundred fifty-five thousand dollars (\$1,101,655,000). Any amount in excess of one billion one hundred one million six hundred fifty-five thousand dollars (\$1,101,655,000) that is apportioned in July of any year is deemed “General Fund revenues appropriated for school districts,” as defined in subdivision (c) of Section 41202 for the prior fiscal year and included within the “total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B” as defined in subdivision (e) of Section 41202, for the prior fiscal year.

SEC. 4. Section 14041.6 is added to the Education Code, to read:

14041.6. (a) Notwithstanding subdivision (a) of Section 14041, or any other law, commencing with the 2008–09 fiscal year, warrants for the principal apportionments for the month of February in the amount of two billion dollars (\$2,000,000,000) instead shall be drawn in July of the same calendar year pursuant to the certification made pursuant to Section 41339.

(b) Except as provided in subdivisions (c) and (e) of Section 41202, for purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the warrants drawn pursuant to subdivision (a) shall be deemed to be “General Fund revenues appropriated to school districts,” as defined in subdivision (c) of Section 41202, for the fiscal year in which the warrants are drawn and included within the “total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B,” as defined in subdivision (e) of Section 41202, for the fiscal year in which the warrants are drawn.

SEC. 5. Section 17070.766 is added to the Education Code, to read:

17070.766. Notwithstanding paragraph (2) of subdivision (b) of Section 17070.75, for the 2008–09, 2009–10, 2010–11, 2011–12, and 2012–13 fiscal years, the board shall require a school district to deposit into the account established pursuant to paragraph (1) of subdivision (b) of Section 17070.75 only an amount equal to 1 percent of the total expenditures by a district from its general fund in the 2008–09, 2009–10, 2010–11, 2011–12, and 2012–13 fiscal

1 years respectively. A school district may elect to deposit into the
2 account an amount that is greater than the amount required by
3 the board pursuant to this section.

4 SEC. 6. Section 17584.1 of the Education Code is amended to
5 read:

6 17584.1. (a) The governing board of a school district shall
7 discuss proposals and plans for expenditure of funds for the
8 deferred maintenance of school district facilities at a regularly
9 scheduled public hearing.

10 ~~(b) In any year that the school district does not set aside $\frac{1}{2}$ of~~
11 ~~one percent of its current-year revenue limit average daily~~
12 ~~attendance for deferred maintenance, the governing board of a~~
13 ~~school district shall submit a report to the Legislature by March~~
14 ~~1, with copies to the Superintendent of Public Instruction, the State~~
15 ~~Board of Education, the Department of Finance, and the State~~
16 ~~Allocation Board.~~

17 ~~(c) The report required pursuant to subdivision (b) shall include~~
18 ~~all of the following:~~

19 ~~(1) A schedule of the complete school facilities deferred~~
20 ~~maintenance needs of the school district for the current year,~~
21 ~~including a schedule of costs per schoolsite and total costs.~~

22 ~~(2) A detailed description of the school district's spending~~
23 ~~priorities for the current year, and an explanation of why those~~
24 ~~priorities, or any other considerations, have prevented the school~~
25 ~~district from setting aside sufficient local funds so as to permit it~~
26 ~~to fully fund its deferred maintenance program and, if eligible, to~~
27 ~~participate in the state deferred maintenance funding program as~~
28 ~~set forth in Section 17584.~~

29 ~~(3) An explanation of how the governing board of a school~~
30 ~~district plans to meet its current-year facilities deferred maintenance~~
31 ~~needs without setting aside the funds set forth in Section 17584.~~

32 ~~(d) Copies of the report shall be made available at each~~
33 ~~schoolsite within the school district and shall be provided to the~~
34 ~~public upon request.~~

35 ~~(e)~~

36 ~~(b) The purposes of this section is are to inform the public~~
37 ~~regarding the local decisionmaking process relating to the deferred~~
38 ~~maintenance of school facilities; and to provide a foundation for~~
39 ~~local accountability in that regard.~~

1 (c) *This section shall become inoperative on July 1, 2013, and,*
2 *as of January 1, 2014, is repealed, unless a later enacted statute,*
3 *that becomes operative on or before January 1, 2014, deletes or*
4 *extends the dates on which it becomes inoperative and is repealed.*

5 SEC. 7. *Section 17584.1 is added to the Education Code, to*
6 *read:*

7 17584.1. (a) *The governing board of a school district shall*
8 *discuss proposals and plans for expenditure of funds for the*
9 *deferred maintenance of school district facilities at a regularly*
10 *scheduled public hearing.*

11 (b) *In any fiscal year that the school district does not set aside*
12 *0.5 percent of its current-year revenue limit average daily*
13 *attendance for deferred maintenance, the governing board of a*
14 *school district shall submit a report to the Legislature by March*
15 *1 of that year, with copies to the Superintendent, the state board,*
16 *the Department of Finance, and the State Allocation Board.*

17 (c) *The report required pursuant to subdivision (b) shall include*
18 *all of the following:*

19 (1) *A schedule of the complete school facilities deferred*
20 *maintenance needs of the school district for the current fiscal year,*
21 *including a schedule of costs per schoolsite and total costs.*

22 (2) *A detailed description of the school district's spending*
23 *priorities for the current fiscal year and an explanation of why*
24 *those priorities, or any other considerations, have prevented the*
25 *school district from setting aside sufficient local funds so as to*
26 *permit it to fully fund its deferred maintenance program and, if*
27 *eligible, to participate in the state deferred maintenance funding*
28 *program as set forth in Section 17584.*

29 (3) *An explanation of the manner in which the governing board*
30 *of a school district plans to meet its current-year facilities deferred*
31 *maintenance needs without setting aside the funds set forth in*
32 *Section 17584.*

33 (d) *Copies of the report shall be made available at each*
34 *schoolsite within the school district, and shall be provided to the*
35 *public upon request.*

36 (e) *The purposes of this section are to inform the public*
37 *regarding the local decisionmaking process relating to the deferred*
38 *maintenance of school facilities and to provide a foundation for*
39 *local accountability in that regard.*

40 (f) *This section shall become operative on July 1, 2013.*

1 *SEC. 8. Section 17592.71 of the Education Code is amended*
2 *to read:*

3 17592.71. (a) There is hereby established in the State Treasury
4 the School Facilities Emergency Repair Account. The State
5 Allocation Board shall administer the account.

6 (b) (1) Commencing with the 2005–06 fiscal year, an amount
7 of moneys shall be transferred in the annual Budget Act from the
8 Proposition 98 Reversion Account to the School Facilities
9 Emergency Repair Account, equaling 50 percent of the
10 unappropriated balance of the Proposition 98 Reversion Account
11 or one hundred million dollars (\$100,000,000), whichever amount
12 is greater. Moneys transferred pursuant to this subdivision shall
13 be used for the purpose of addressing emergency facilities needs
14 pursuant to Section 17592.72.

15 (2) *Notwithstanding paragraph (1), for the 2008–09 fiscal year,*
16 *the amount of money to be transferred from the Proposition 98*
17 *Reversion Account to the School Facilities Emergency Repair*
18 *Account pursuant to paragraph (1) shall not exceed one hundred*
19 *one million dollars (\$101,000,000).*

20 (3) *Notwithstanding paragraph (1), for the 2009–10 fiscal year,*
21 *the amount of money to be transferred from the Proposition 98*
22 *Reversion Account to the School Facilities Emergency Repair*
23 *Account pursuant to paragraph (1) shall be zero.*

24 (c) The Legislature may transfer to the School Facilities
25 Emergency Repair Account other one-time Proposition 98 funds,
26 except funds specified pursuant to Section 41207. Donations by
27 private entities shall be deposited in the account and, for tax
28 purposes, be treated as otherwise provided by law.

29 (d) Funds shall be transferred pursuant to this section until a
30 total of eight hundred million dollars (\$800,000,000) has been
31 disbursed from the School Facilities Emergency Repair Account.

32 *SEC. 9. Section 17592.74 is added to the Education Code, to*
33 *read:*

34 17592.74. *Notwithstanding any other law, the funds provided*
35 *to school districts from the School Facilities Emergency Repair*
36 *Account pursuant to this article for the purpose of emergency*
37 *repair grants shall not be used to do either of the following:*

38 (a) *Supplant funds provided to local educational agencies for*
39 *the deferred maintenance of school facilities pursuant to Sections*
40 *17584 and 17587.*

1 **(b)** *Be deposited into a school district deferred maintenance*
2 *fund for the purposes established pursuant to Section 17582.*

3 **SEC. 10.** *Section 41203.1 of the Education Code is amended*
4 *to read:*

5 41203.1. (a) For the 1990–91 fiscal year and each fiscal year
6 thereafter, allocations calculated pursuant to Section 41203 shall
7 be distributed in accordance with calculations provided in this
8 section. Notwithstanding Section 41203, and for the purposes of
9 this section, school districts, community college districts, and direct
10 elementary and secondary level instructional services provided by
11 the State of California shall be regarded as separate segments of
12 public education, and each of these three segments of public
13 education shall be entitled to receive respective shares of the
14 amount calculated pursuant to Section 41203 as though the
15 calculation made pursuant to subdivision (b) of Section 8 of Article
16 XVI of the California Constitution were to be applied separately
17 to each segment and the base year for the purposes of this
18 calculation under paragraph (1) of subdivision (b) of Section 8 of
19 Article XVI of the California Constitution were based on the
20 1989–90 fiscal year. Calculations made pursuant to this subdivision
21 shall be made so that each segment of public education is entitled
22 to the greater of the amounts calculated for that segment pursuant
23 to paragraph (1) or (2) of subdivision (b) of Section 8 of Article
24 XVI of the California Constitution.

25 (b) If the single calculation made pursuant to Section 41203
26 yields a guaranteed amount of funding that is less than the sum of
27 the amounts calculated pursuant to subdivision (a), the amount
28 calculated pursuant to Section 41203 shall be prorated for the three
29 segments of public education.

30 (c) Notwithstanding any other law, this section does not apply
31 to the 1992–93 to ~~2008–09~~ 2009–10 fiscal years, inclusive.

32 **SEC. 11.** *Section 41207.3 is added to the Education Code, to*
33 *read:*

34 41207.3. (a) *If the Superintendent and the Director of Finance*
35 *jointly determine that, for the 2008–09 fiscal year, the state has*
36 *applied moneys for the support of school districts and community*
37 *college districts in an amount that exceeds the minimum amount*
38 *required for that fiscal year pursuant to Section 8 of Article XVI*
39 *of the California Constitution, the excess, up to one billion one*
40 *hundred million five hundred ninety thousand dollars*

1 (\$1,100,590,000), shall be deemed, as of June 30 of that fiscal
2 year, a payment in satisfaction of the outstanding balance of the
3 minimum funding obligation under that section for the 2002–03
4 and 2003–04 fiscal years in accordance with the following:

5 (1) The first four hundred eighty-three million sixteen thousand
6 dollars (\$483,016,000) in payment of the outstanding balance of
7 the minimum funding obligation for the 2002–03 fiscal year.

8 (2) The next six hundred seventeen million five hundred
9 seventy-four thousand dollars (\$617,574,000) in payment of the
10 outstanding balance of the minimum funding obligation for the
11 2003–04 fiscal year.

12 (b) For purposes of this section, the outstanding balance of the
13 minimum funding obligation to school districts and community
14 college districts pursuant to Section 8 of Article XVI of the
15 California Constitution for a fiscal year is the amount, if any, by
16 which the amount required to be applied by the state for the support
17 of school districts and community college districts pursuant to
18 Section 8 of Article XVI of the California Constitution, including
19 any maintenance factor that should have been allocated in that
20 fiscal year pursuant to subdivision (e) of Section 8 of Article XVI,
21 exceeds the amount applied by the state for the support of school
22 districts and community college districts for that fiscal year.

23 (c) The amounts allocated pursuant to this section shall be
24 deemed, for purposes of Section 8 of Article XVI of the California
25 Constitution, to be appropriations made and allocated in the fiscal
26 year in which the deficiencies resulting in the outstanding balance
27 were incurred. When the amount determined to be owed for each
28 such fiscal year is fully allocated pursuant to this subdivision, the
29 data used in the computations made under this section with regard
30 to the total amount owed by the state for the support of school
31 districts and community college districts pursuant to Section 8 of
32 Article XVI of the California Constitution for that fiscal year,
33 including as much of the maintenance factor for that fiscal year
34 determined pursuant to subdivision (d) of Section 8 of Article XVI
35 as has been allocated as required by subdivision (e) of Section 8
36 of Article XVI by virtue of the allocations made under this section,
37 shall be deemed certified for purposes of Section 41206.

38 (d) The amount described in subdivision (a) shall be deemed a
39 payment in full satisfaction of the amounts owed pursuant to
40 Section 41207.

1 *SEC. 12. Section 42238 of the Education Code is amended to*
2 *read:*

3 42238. (a) For the 1984–85 fiscal year and each fiscal year
4 thereafter, the county superintendent of schools shall determine a
5 revenue limit for each school district in the county pursuant to this
6 section.

7 (b) The base revenue limit for a fiscal year shall be determined
8 by adding to the base revenue limit for the prior fiscal year the
9 following amounts:

10 (1) The inflation adjustment specified in Section 42238.1.

11 (2) For the 1995–96 fiscal year, the equalization adjustment
12 specified in Section 42238.4.

13 (3) For the 1996–97 fiscal year, the equalization adjustments
14 specified in Sections 42238.41, 42238.42, and 42238.43.

15 (4) For the 1985–86 fiscal year, the amount received per unit
16 of average daily attendance in the 1984–85 fiscal year pursuant to
17 Section 42238.7.

18 (5) For the 1985–86, 1986–87, and 1987–88 fiscal years, the
19 amount per unit of average daily attendance received in the prior
20 fiscal year pursuant to Section 42238.8.

21 (6) For the 2004–05 fiscal year, the equalization adjustment
22 specified in Section 42238.44.

23 (7) For the 2006–07 fiscal year, the equalization adjustment
24 specified in Section 42238.48.

25 (8) *For the 2011–12 fiscal year, the equalization adjustment*
26 *specified in Section 42238.49.*

27 (c) Except for districts subject to subdivision (d), the base
28 revenue limit computed pursuant to subdivision (b) shall be
29 multiplied by the district average daily attendance computed
30 pursuant to Section 42238.5.

31 (d) (1) For districts for which the number of units of average
32 daily attendance determined pursuant to Section 42238.5 is greater
33 for the current fiscal year than for the 1982–83 fiscal year, compute
34 the following amount, in lieu of the amount computed pursuant to
35 subdivision (c):

36 (A) Multiply the base revenue limit computed pursuant to
37 subdivision (c) by the average daily attendance computed pursuant
38 to Section 42238.5 for the 1982–83 fiscal year.

39 (B) Multiply the lesser of the amount in subdivision (c) or 1.05
40 times the statewide average base revenue limit per unit of average

1 daily attendance for districts of similar type for the current fiscal
2 year by the difference between the average daily attendance
3 computed pursuant to Section 42238.5 for the current and 1982–83
4 fiscal years.

5 (C) Add the amounts in subparagraphs (A) and (B).

6 (2) This subdivision shall become inoperative on July 1, 1998.

7 (e) For districts electing to compute units of average daily
8 attendance pursuant to paragraph (2) of subdivision (a) of Section
9 42238.5, the amount computed pursuant to Article 4 (commencing
10 with Section 42280) shall be added to the amount computed in
11 subdivision (c) or (d), as appropriate.

12 (f) For the 1984–85 fiscal year only, the county superintendent
13 shall reduce the total revenue limit computed in this section by the
14 amount of the decreased employer contributions to the Public
15 Employees' Retirement System resulting from enactment of
16 Chapter 330 of the Statutes of 1982, offset by any increase in those
17 contributions, as of the 1983–84 fiscal year, resulting from
18 subsequent changes in employer contribution rates.

19 (g) The reduction required by subdivision (f) shall be calculated
20 as follows:

21 (1) Determine the amount of employer contributions that would
22 have been made in the 1983–84 fiscal year if the applicable Public
23 Employees' Retirement System employer contribution rate in effect
24 immediately prior to the enactment of Chapter 330 of the Statutes
25 of 1982 was in effect during the 1983–84 fiscal year.

26 (2) Subtract from the amount determined in paragraph (1) the
27 greater of subparagraph (A) or (B):

28 (A) The amount of employer contributions that would have been
29 made in the 1983–84 fiscal year if the applicable Public
30 Employees' Retirement System employer contribution rate in effect
31 immediately after the enactment of Chapter 330 of the Statutes of
32 1982 was in effect during the 1983–84 fiscal year.

33 (B) The actual amount of employer contributions made to the
34 Public Employees' Retirement System in the 1983–84 fiscal year.

35 (3) For purposes of this subdivision, employer contributions to
36 the Public Employees' Retirement System for either of the
37 following shall be excluded from the calculation specified above:

38 (A) Positions supported totally by federal funds that were subject
39 to supplanting restrictions.

(B) Positions supported, to the extent of employer contributions not exceeding twenty-five thousand dollars (\$25,000) by any single educational agency, from a revenue source determined on the basis of equity to be properly excludable from the provisions of this subdivision by the Superintendent with the approval of the Director of Finance.

(4) For accounting purposes, the reduction made by this subdivision may be reflected as an expenditure from appropriate sources of revenue as directed by the Superintendent.

(h) The Superintendent shall apportion to each school district the amount determined in this section less the sum of:

(1) The district's property tax revenue received pursuant to Chapter 3 (commencing with Section 75) and Chapter 6 (commencing with Section 95) of Part 0.5 of the Revenue and Taxation Code.

(2) The amount, if any, received pursuant to Part 18.5 (commencing with Section 38101) of the Revenue and Taxation Code.

(3) The amount, if any, received pursuant to Chapter 3 (commencing with Section 16140) of the Government Code.

(4) Prior years' taxes and taxes on the unsecured roll.

(5) Fifty percent of the amount received pursuant to Section 41603.

(6) The amount, if any, received pursuant to the Community Redevelopment Law (Part 1 (commencing with Section 33000) of Division 24 of the Health and Safety Code), except for any amount received pursuant to Section 33401 or 33676 of the Health and Safety Code that is used for land acquisition, facility construction, reconstruction, or remodeling, or deferred maintenance, except for any amount received pursuant to Section 33492.15, paragraph (4) of subdivision (a) of Section 33607.5, or Section 33607.7 of the Health and Safety Code that is allocated exclusively for educational facilities.

(7) For a unified school district, other than a unified school district that has converted all of its schools to charter status pursuant to Section 47606, the amount of statewide average general-purpose funding per unit of average daily attendance received by school districts for each of four grade level ranges, as computed by the department pursuant to Section 47633, multiplied by the average daily attendance, in corresponding grade level

ranges, of any pupils who attend charter schools funded pursuant to Chapter 6 (commencing with Section 47630) of Part 26.8 for which the district is the sponsoring local educational agency, as defined in Section 47632, and who reside in and would otherwise have been eligible to attend a noncharter school of the district.

(i) A transfer of seventh and eighth grade pupils between an elementary school district and a high school district shall not result in the receiving district receiving a revenue limit apportionment for those pupils that exceeds 105 percent of the statewide average revenue limit for the type and size of the receiving school district.

SEC. 13. Section 42238.49 is added to the Education Code, to immediately follow Section 42238.48, to read:

42238.49. (a) (1) For the 2011–12 fiscal year, the Superintendent shall compute an equalization adjustment for each school district, so that the 2010–11 base revenue limit per unit of average daily attendance of a school district is not less than the 2010–11 base revenue limit per unit of average daily attendance above which fall not more than 10 percent of the total statewide units of average daily attendance for each category of school district set forth in subdivision (b).

(2) For purposes of this section, the base revenue limit shall not include any amounts attributable to Section 45023.4, 46200, or 46201.

(b) Subdivision (a) shall apply to the following school districts, which shall be grouped according to size and type as follows:

District	ADA
Elementary	less than 101
Elementary	more than 100
High School	less than 301
High School	more than 300
Unified	less than 1,501
Unified	more than 1,500

(c) The Superintendent shall compute a revenue limit equalization adjustment for each school district's base revenue limit per unit of average daily attendance as follows:

(1) Multiply the amount computed for each school district pursuant to subdivision (a) by the average daily attendance used

1 to calculate the revenue limit for the 2011–12 fiscal year of a
2 school district.

3 (2) Divide the amount appropriated from the Supplemental
4 Education Payment Account for purposes of this section for the
5 2011–12 fiscal year by the statewide sum of the amounts computed
6 pursuant to paragraph (1).

7 (3) Multiply the amount computed for the school district
8 pursuant to paragraph (1) of subdivision (a) by the amount
9 computed pursuant to paragraph (2).

10 (d) (1) For the purposes of this section, the 2010–11 statewide
11 90th percentile base revenue limit determined pursuant to
12 paragraph (1) of subdivision (a), and the fraction computed
13 pursuant to paragraph (2) of subdivision (c) for the 2010–11
14 second principal apportionment, shall be final, and shall not be
15 recalculated at subsequent apportionments. The fraction computed
16 pursuant to paragraph (2) of subdivision (c) shall not exceed 1.00.
17 For purposes of determining the size of a school district pursuant
18 to subdivision (b), county superintendents of schools, in conjunction
19 with the Superintendent, shall use school district revenue limit
20 average daily attendance for the 2010–11 fiscal year as determined
21 pursuant to Section 42238.5 and Article 4 (commencing with
22 Section 42280).

23 (2) For the purposes of calculating the size of a school district
24 pursuant to subdivision (b), the Superintendent shall include units
25 of average daily attendance of any charter school for which the
26 school district is the sponsoring local educational agency.

27 (3) For the purposes of computing the target amounts pursuant
28 to subdivision (a), the Superintendent shall count all charter school
29 average daily attendance toward the average daily attendance of
30 the school district that is the sponsoring local educational agency.

31 SEC. 14. Section 42238.146 of the Education Code is amended
32 to read:

33 42238.146. (a) (1) For the 2003–04 fiscal year, the revenue
34 limit for each school district determined pursuant to this article
35 shall be reduced by a 1.198 percent deficit factor.

36 (2) For the 2004–05 fiscal year, the revenue limit for each school
37 district determined pursuant to this article shall be reduced by a
38 0.323 percent deficit factor.

(3) For the 2003–04 and 2004–05 fiscal years, the revenue limit for each school district determined pursuant to this article shall be further reduced by a 1.826 percent deficit factor.

(4) For the 2005–06 fiscal year, the revenue limit for each school district determined pursuant to this article shall be reduced by a 0.892 percent deficit factor.

(5) For the 2008–09 fiscal year, the revenue limit for each school district determined pursuant to this article shall be reduced by a 4.713 7.844 percent deficit factor.

(6) *For the 2009–10 fiscal year, the revenue limit for each school district determined pursuant to this article shall be reduced by a 13.094 percent deficit factor.*

(b) In computing the revenue limit for each school district for the 2006–07 fiscal year pursuant to this article, the revenue limit shall be determined as if the revenue limit for that school district had been determined for the 2003–04, 2004–05, and 2005–06 fiscal years without being reduced by the deficit factors specified in ~~this section~~ subdivision (a).

(c) In computing the revenue limit for each school district for the ~~2009–10~~ 2010–11 fiscal year pursuant to this article, the revenue limit shall be determined as if the revenue limit for that school district had been determined for the ~~2008–09~~ 2009–10 fiscal year without being reduced by the deficit factors specified in ~~this section~~ subdivision (a).

SEC. 15. *Section 42605 is added to the Education Code, to read:*

42605. (a) (1) *Unless otherwise prohibited under federal law or otherwise specified in subdivision (e), for the 2008–09 fiscal year to the 2012–13 fiscal year, inclusive, school districts, charter schools, and county offices of education may use funding received, pursuant to subdivision (b), from any of these items listed in paragraph (2) that are contained in an annual Budget Act, for any educational purpose:*

(2) 6110-104-0001, 6110-105-0001, 6110-108-0001, 6110-122-0001, 6110-123-0001, 6110-124-0001, 6110-137-0001, 6110-144-0001, 6110-150-0001, 6110-151-0001, 6110-156-0001, 6110-181-0001, 6110-188-0001, 6110-189-0001, 6110-190-0001, 6110-193-0001, 6110-195-0001, 6110-198-0001, 6110-204-0001, 6110-208-0001, 6110-209-0001, 6110-211-0001, 6110-227-0001, 6110-228-0001, 6110-232-0001, 6110-240-0001, 6110-242-0001,

1 6110-243-0001, 6110-244-0001, 6110-245-0001, 6110-246-0001,
2 6110-247-0001, 6110-248-0001, 6110-260-0001, 6110-265-0001,
3 6110-266-0001, 6110-267-0001, 6110-268-0001, and
4 6360-101-0001.

5 (b) For the 2009–10 fiscal year to the 2012–13 fiscal year,
6 inclusive, the Superintendent shall apportion from the amounts
7 provided in the annual Budget Act for the items enumerated in
8 paragraph (2) of subdivision (a), an amount to a school district,
9 charter school, and county office of education based on the same
10 relative proportion that the local education agency received in the
11 2008–09 fiscal year for the programs funded through the items
12 enumerated in paragraph (2) of subdivision (a). A school district
13 that receives funding on behalf of a charter school pursuant to
14 Sections 47634.1 and 47651 shall continue to distribute the funds
15 to those charter schools based on the amounts distributed in the
16 2008–09 fiscal year, and shall adjust those amounts as specified
17 in this section. The amounts allocated shall be adjusted for any
18 greater or lesser amount appropriated for the items enumerated
19 in paragraph (2) of subdivision (a).

20 (c) (1) This section does not obligate the state to refund or
21 repay reductions made pursuant to this section. A decision by a
22 school district to reduce funding pursuant to this section for a
23 state-mandated local program shall constitute a waiver of the
24 subvention of funds that the school district is otherwise entitled to
25 pursuant to Section 6 of Article XIII B of the California Constitution
26 on the amount so reduced.

27 (2) As a condition of receipt of funds the governing board of
28 the school district or board of the county office of education, as
29 appropriate, at a regularly scheduled open public hearing shall
30 take testimony from the public, discuss, and approve or disapprove
31 the proposed use of funding.

32 (d) For the 2008–09 fiscal year to the 2012–13 fiscal year,
33 inclusive, local education agencies that use the flexibility provision
34 of the section shall be deemed to be in compliance with the
35 program and funding requirements contained in statutory,
36 regulatory, and provisional language, associated with the items
37 enumerated in subdivision (a).

38 (e) Notwithstanding subdivision (d), the following requirements
39 shall continue to apply:

1 (1) For Items 6110-105-0001 and 6110-156-0001, the amount
2 authorized for flexibility shall exclude the funding provided for
3 instruction of CalWORKs eligible students pursuant to schedules
4 (2) and (3), and provisions 2 and 4.

5 (2) (A) Any instructional materials purchased by a local
6 education agency shall be the materials adopted by the state board
7 for kindergarten and grades 1 to 8, inclusive, and for grades 9 to
8 12, inclusive, the materials purchased shall be aligned with state
9 standards as defined by Section 60605, and shall also meet the
10 reporting and sufficiency requirements contained in Section 60119.

11 (B) For purposes of this section, “sufficiency” means that each
12 pupil has sufficient textbooks and instructional materials in the
13 four core areas as defined by Section 60119, and that all pupils
14 within the local education agency who are enrolled in the same
15 course shall have identical textbooks and instructional materials.

16 (3) For Item 6110-195-0001, the item shall exclude monies that
17 are required to fund awards for teachers that have previously met
18 the requirements necessary to obtain these awards, until the award
19 is paid in full.

20 (4) As a condition of exercising the authority conferred on local
21 educational agencies to transfer funds to their general funds
22 pursuant to subdivision (a), both of the following requirements
23 shall be met:

24 (A) The governing board of the school district, or the county
25 board of education, as appropriate, at a regularly scheduled open
26 public hearing, shall take testimony from the public, discuss, and
27 approve each transfer and the proposed use of funding.

28 (B) In the existing Standardized Account Code Structure (SACS)
29 reporting process, a local educational agency shall report the
30 amounts transferred pursuant to this section by using the
31 appropriate program code for which these funds were expended.
32 The State Department of Education shall collect and provide this
33 information to the Department of Finance and to the appropriate
34 policy and budget committees of the Legislature by February 28,
35 2010.

36 (5) For Item 6110-266-0001, a county office of education shall
37 conduct at least one site visit to each of the required schoolsites
38 pursuant to Section 1240.

1 *SEC. 16. Section 52124 of the Education Code, as amended*
2 *by Section 1 of Chapter 515 of the Statutes of 2008, is amended*
3 *to read:*

4 52124. (a) A school district that implements a class size
5 reduction program pursuant to this chapter is subject to this section.

6 (b) A school district may establish a program to reduce class
7 size in kindergarten and grades 1 to 3, inclusive, and that program
8 shall be implemented at each schoolsite according to the following
9 priorities:

10 (1) If only one grade level is reduced at a schoolsite, the grade
11 level shall be grade 1.

12 (2) If only two grade levels are reduced at a schoolsite, the grade
13 levels shall be grades 1 and 2.

14 (3) If three grade levels are reduced at a schoolsite, then those
15 grade levels shall be kindergarten and grades 1 and 2 or grades 1
16 to 3, inclusive. Priority shall be given to the reduction of class
17 sizes in grades 1 and 2 before the class sizes of kindergarten or
18 grade 3 are reduced.

19 (4) If four grade levels are reduced at a schoolsite, then those
20 grade levels shall be kindergarten and grades 1 to 3, inclusive.
21 First priority shall be given to the reduction of class sizes in grades
22 1 and 2, and second priority shall be given to the reduction of class
23 size in kindergarten and grade 3. This paragraph shall be operative
24 only in those fiscal years for which funds are appropriated
25 expressly for the purposes of this paragraph.

26 (c) It is the intent of the Legislature to continue to permit the
27 use of combination classes of more than one grade level to the
28 extent that school districts are otherwise permitted to use that
29 instructional strategy. However, a school district that uses a
30 combination class in a class for which funding is received pursuant
31 to this chapter shall not claim funding pursuant to this chapter if
32 the total number of pupils in the combination class, regardless of
33 grade level, exceeds 20 pupils per certificated teacher assigned to
34 provide direct instructional services.

35 (d) The governing board of a school district shall certify to the
36 Superintendent that it has met the requirements of this section in
37 implementing its class size reduction program. If a school district
38 receives funding pursuant to this chapter but has not implemented
39 its class size reduction program for all grades and classes for which
40 it received funding pursuant to this chapter, the Superintendent

1 shall notify the Controller and the school district in writing and
2 the Controller shall deduct an amount equal to the amount received
3 by the school district under this chapter for each class that the
4 school district failed to reduce to a class size of 20 or fewer pupils
5 from the next principal apportionment or apportionments of state
6 funds to the district, other than basic aid apportionments required
7 by Section 6 of Article IX of the California Constitution.

8 (e) Except for a school district participating pursuant to
9 subdivision (h) of Section 52122, *and except as set forth in Section*
10 *52124.3*, the amount deducted pursuant to subdivision (d) shall be
11 adjusted as follows:

12 (1) Twenty percent of the amount to which the district would
13 otherwise be eligible for each class for which the annual enrollment
14 determined pursuant to Section 52124.5 is greater than or equal
15 to 20.5 but less than 21.0.

16 (2) Forty percent of the amount to which the district would
17 otherwise be eligible for each class for which the annual average
18 enrollment determined pursuant to Section 52124.5 is greater than
19 or equal to 21.0 but less than 21.5.

20 (3) Eighty percent of the amount to which the district would
21 otherwise be eligible for each class for which the annual average
22 enrollment determined pursuant to Section 52124.5 is greater than
23 or equal to 21.5 but less than 21.9.

24 (4) The amount deducted pursuant to subdivision (d) for each
25 class for which the annual average enrollment determined pursuant
26 to Section 52124.5 is greater than or equal to 21.9 shall be the
27 amount of funding the district received for the class pursuant to
28 this chapter.

29 (f) Notwithstanding any other provision of this chapter, a school
30 district located in the County of Los Angeles, Riverside, San
31 Bernardino, San Diego, or Ventura may claim funding pursuant
32 to this chapter for the 2003–04 school year based on enrollment
33 counts before the October 2003 fires, in classes for which the class
34 size reduction program is implemented, if the following criteria
35 are met:

36 (1) The school district submits to the Superintendent a “Request
37 for Allowance of Attendance because of Emergency Conditions”
38 pursuant to Section 46392 and the emergency conditions were
39 caused by the October 2003 fires.

(2) The school district certifies that it suffered a loss of enrollment in classes in which the class size reduction program is implemented and this loss of enrollment is due to the October 2003 fires and would result in a decrease in funding that the district receives pursuant to this chapter.

(g) This section shall become inoperative on July 1, 2014, and as of January 1, 2015, is repealed, unless a later enacted statute that is enacted before January 1, 2015, deletes or extends the dates on which it becomes inoperative or is repealed.

SEC. 17. Section 52124.3 is added to the Education Code, to read:

52124.3. (a) For the 2008–09, 2009–10, 2010–11, and 2011–12 fiscal years only, the amounts deducted pursuant to subdivision (d) of Section 52124 shall be as follows:

(1) Five percent of the amount to which the school district would otherwise be eligible for each class for which the annual enrollment determined pursuant to Section 52124.5 is greater than or equal to 20.5 but less than 21.5.

(2) Ten percent of the amount to which the school district would otherwise be eligible for each class for which the annual average enrollment determined pursuant to Section 52124.5 is greater than or equal to 21.5 but less than 22.5.

(3) Fifteen percent of the amount to which the school district would otherwise be eligible for each class for which the annual average enrollment determined pursuant to Section 52124.5 is greater than or equal to 22.5 but less than 23.0.

(4) Twenty percent of the amount to which the school district would otherwise be eligible for each class for which the annual average enrollment determined pursuant to Section 52124.5 is greater than or equal to 23.0 but less than 25.0.

(5) Thirty percent of the amount to which the school district would otherwise be eligible for each class for which the annual average enrollment determined pursuant to Section 52124.5 is greater than or equal to 25.0.

(b) A local educational agency is eligible to receive funding pursuant to this section only if it was participating in the K-3 Class Size Reduction Program as of December 10, 2008. An eligible local educational agency may only receive funding for the grade level or levels for which it had applied to receive funding as of December 10, 2008.

SEC. 18. Section 60119 of the Education Code is amended to read:

60119. (a) In order to be eligible to receive funds available for the purposes of this article, the governing board of a school district shall take the following actions:

(1) (A) The governing board shall hold a public hearing or hearings at which the governing board shall encourage participation by parents, teachers, members of the community interested in the affairs of the school district, and bargaining unit leaders, and shall make a determination, through a resolution, as to whether each pupil in each school in the district has sufficient textbooks or instructional materials, or both, that are aligned to the content standards adopted pursuant to Section 60605 in each of the following subjects, as appropriate, that are consistent with the content and cycles of the curriculum framework adopted by the state board:

(i) Mathematics.

(ii) Science.

(iii) History-social science.

(iv) English/language arts, including the English language development component of an adopted program.

(B) The public hearing shall take place on or before the end of the eighth week from the first day pupils attend school for that year. A school district that operates schools on a multitrack, year-round calendar shall hold the hearing on or before the end of the eighth week from the first day pupils attend school for that year on any tracks that begin a school year in August or September. For purposes of the 2004–05 fiscal year only, the governing board of a school district shall make a diligent effort to hold a public hearing pursuant to this section on or before December 1, 2004.

(C) As part of the hearing required pursuant to this section, the governing board *also* shall ~~also~~ make a written determination as to whether each pupil enrolled in a foreign language or health course has sufficient textbooks or instructional materials that are consistent with the content and cycles of the curriculum frameworks adopted by the state board for those subjects. The governing board *also* shall ~~also~~ determine the availability of laboratory science equipment as applicable to science laboratory courses offered in grades 9 to 12, inclusive. The provision of the textbooks, instructional materials, or science equipment specified

1 in this subparagraph is not a condition of receipt of funds provided
2 by this subdivision.

3 (2) (A) If the governing board determines that there are
4 insufficient textbooks or instructional materials, or both, the
5 governing board shall provide information to classroom teachers
6 and to the public setting forth, in the resolution, for each school
7 in which an insufficiency exists, the percentage of pupils who lack
8 sufficient standards-aligned textbooks or instructional materials
9 in each subject area and the reasons that each pupil does not have
10 sufficient textbooks or instructional materials, or both, and take
11 any action, except an action that would require reimbursement by
12 the Commission on State Mandates, to ensure that each pupil has
13 sufficient textbooks or instructional materials, or both, within two
14 months of the beginning of the school year in which the
15 determination is made.

16 (B) In carrying out subparagraph (A), the governing board may
17 use money in any of the following funds:

18 (i) Any funds available for textbooks or instructional materials,
19 or both, from categorical programs, including any funds allocated
20 to school districts that have been appropriated in the annual Budget
21 Act.

22 (ii) Any funds of the school district that are in excess of the
23 amount available for each pupil during the prior fiscal year to
24 purchase textbooks or instructional materials, or both.

25 (iii) Any other funds available to the school district for textbooks
26 or instructional materials, or both.

27 (b) The governing board shall provide 10 days' notice of the
28 public hearing or hearings set forth in subdivision (a). The notice
29 shall contain the time, place, and purpose of the hearing and shall
30 be posted in three public places in the school district. The hearing
31 shall be held at a time that will encourage the attendance of teachers
32 and parents and guardians of pupils who attend the schools in the
33 district and shall not take place during or immediately following
34 school hours.

35 (c) (1) For purposes of this section, "sufficient textbooks or
36 instructional materials" means that each pupil, including English
37 learners, has a standards-aligned textbook or instructional materials,
38 or both, to use in class and to take home. This paragraph does not
39 require two sets of textbooks or instructional materials for each
40 pupil.

(2) Sufficient textbooks or instructional materials as defined in paragraph (1), does not include photocopied sheets from only a portion of a textbook or instructional materials copied to address a shortage.

~~(d) Except for purposes of Section 60252, governing boards of school districts that receive~~ *The governing board of a school district that receives* funds for instructional materials from any state source, ~~are is~~ subject to the requirements of this section ~~only in a fiscal year in which the Superintendent determines that the base revenue limit for each school district will increase by at least 1 percent per unit of average daily attendance from the prior fiscal year.~~

SEC. 19. Section 60422.1 is added to the Education Code, to read:

60422.1. (a) Notwithstanding subdivision (i) of Section 60200, Section 60422, or any other provision of law, for the 2008–09 and 2009–10 fiscal years, the governing board of a school district is not required to provide pupils with instructional materials by a specified period of time following adoption of those materials by the state board.

(b) Notwithstanding subdivision (a), this section does not relieve school districts of their obligations under the law to provide every pupil with standards-aligned textbooks or instructional materials, as provided in Section 60119.

(c) This section does not relieve school districts of the obligation to hold a public hearing or hearings pursuant to subparagraphs (A) and (B) of paragraph (1) of subdivision (a) of Section 60119.

(d) This section shall become inoperative on July 1, 2010, and, as of January 1, 2011, is repealed, unless a later enacted statute, that becomes operative on or before January 1, 2011, deletes or extends the dates on which it becomes inoperative and is repealed.

SEC. 20. Section 92612.5 is added to the Education Code, to read:

92612.5. It is the intent of the Legislature that no new General Fund augmentation be made available for contributions to the University of California Retirement Plan.

SEC. 21. Section 33 of Chapter 757 of the Statutes of 2008 is repealed.

~~SEC. 33. (a) The sum of thirty nine million seven hundred eighty thousand dollars (\$39,780,000) is hereby appropriated from~~

1 the General Fund to the Board of Governors of the California
2 Community Colleges, in augmentation of Schedule (1) of Item
3 6870-101-0001 of Section 2.00 of the Budget Act of 2008, for
4 the purpose of providing a 0.68 percent cost-of-living adjustment
5 to apportionments to community college districts, for expenditure
6 during the 2008-09 fiscal year.

7 (b) For the purposes of making the computations required by
8 Section 8 of Article XVI of the California Constitution, the
9 appropriation made by subdivision (a) shall be deemed to be
10 "General Fund revenues appropriated for community college
11 districts," as defined in subdivision (d) of Section 41202 of the
12 Education Code, for the 2008-09 fiscal year, and included within
13 the "total allocations to school districts and community college
14 districts from General Fund proceeds of taxes appropriated pursuant
15 to Article XIII B," as defined in subdivision (e) of Section 41202
16 of the Education Code, for the 2008-09 fiscal year.

17 SEC. 22. Section 34 of Chapter 757 of the Statutes of 2008 is
18 amended to read:

19 Sec. 34. (a) The sum of three hundred eighty-eight million
20 two hundred eighty-three thousand dollars (\$388,283,000) nine
21 hundred five million seven hundred thousand dollars
22 (\$905,700,000) is hereby appropriated from the General Fund to
23 the State Department of Education. This appropriation reflects the
24 ~~portion~~ portions of the February 2009 principal apportionment
25 and the 2009 payment for the class size reduction, as set forth in
26 Chapter 6.10 (commencing with Section 52120) of Part 28 of
27 Division 4 of the Education Code, for kindergarten and grades 1
28 to 3, inclusive, and the June 2009 principal ~~apportionment~~
29 apportionment that is are to be deferred until July 2009 and
30 attributed to the 2009-10 fiscal year. Notwithstanding any other
31 law, the department shall encumber the funds appropriated in this
32 section by July 31, 2009. It is the intent of the Legislature that, by
33 extending the encumbrance authority for the funds appropriated
34 in this section to July 31, 2009, the funds will be treated in a
35 manner consistent with Section 1.80 of the Budget Act of 2008.
36 The appropriation is made in accordance with the following
37 schedule:

38 (1) Six million two hundred twenty-seven thousand dollars
39 (\$6,227,000) for apprenticeship programs to be expended consistent

with the requirements specified in Item 6110-103-0001 of Section 2.00 of the Budget Act of 2008.

(2) Ninety million one hundred seventeen thousand dollars (\$90,117,000) for supplemental instruction to be expended consistent with the requirements specified in Item 6110-104-0001 of Section 2.00 of the Budget Act of 2008. Of the amount appropriated by this paragraph, fifty-one million sixty-one thousand dollars (\$51,061,000) shall be expended consistent with Schedule (1) of Item 6110-104-0001 of Section 2.00 of the Budget Act of 2008, twelve million three hundred thirty thousand dollars (\$12,330,000) shall be expended consistent with Schedule (2) of that item, four million six hundred ninety thousand dollars (\$4,690,000) shall be expended consistent with Schedule (3) of that item, and twenty-two million thirty-six thousand dollars (\$22,036,000) shall be expended consistent with Schedule (4) of that item.

(3) Thirty-nine million six hundred thirty thousand dollars (\$39,630,000) for regional occupational centers and programs to be expended consistent with the requirements specified in Schedule (1) of Item 6110-105-0001 of Section 2.00 of the Budget Act of 2008.

~~(4) Fifty-two million five hundred eighty-three thousand dollars (\$52,583,000) for home-to-school transportation to be expended consistent with the requirements specified in Schedule (1) of Item 6110-111-0001 of Section 2.00 of the Budget Act of 2008.~~

~~(5)~~

(4) Four million two hundred ninety-four thousand dollars (\$4,294,000) for the Gifted and Talented Pupil Program to be expended consistent with the requirements specified in Item 6110-124-0001 of Section 2.00 of the Budget Act of 2008.

~~(6)~~

(5) Forty-five million eight hundred ninety-six thousand dollars (\$45,896,000) for adult education to be expended consistent with the requirements specified in Schedule (1) of Item 6110-156-0001 of Section 2.00 of the Budget Act of 2008.

~~(7)~~

(6) Four million seven hundred fifty-one thousand dollars (\$4,751,000) for community day schools to be expended consistent with the requirements specified in Item 6110-190-0001 of Section 2.00 of the Budget Act of 2008.

1 ~~(8)~~

2 (7) Five million nine hundred forty-seven thousand dollars
3 (\$5,947,000) for categorical block grants for charter schools to be
4 expended consistent with the requirements specified in Item
5 6110-211-0001 of Section 2.00 of the Budget Act of 2008.

6 ~~(9)~~

7 (8) Thirty-eight million seven hundred twenty thousand dollars
8 (\$38,720,000) for the School Safety Block Grant to be expended
9 consistent with the requirements specified in Schedule (1) of Item
10 6110-228-0001 of Section 2.00 of the Budget Act of 2008.

11 (9) *Five hundred seventy million dollars (\$570,000,000) for*
12 *class size reduction in kindergarten and grades 1 to 3, inclusive,*
13 *to be expended consistent with the requirements specified in Item*
14 *6110-234-0001 of Section 2.00 of the Budget Act of 2008.*

15 (10) One hundred million one hundred eighteen thousand dollars
16 (\$100,118,000) for the Targeted Instructional Improvement Grant
17 Program to be expended consistent with the requirements specified
18 in Item 6110-246-0001 of Section 2.00 of the Budget Act of 2008.

19 (b) For the purposes of making the computations required by
20 Section 8 of Article XVI of the California Constitution, the
21 appropriations made by subdivision (a) shall be deemed to be
22 “General Fund revenues appropriated for school districts,” as
23 defined in subdivision (c) of Section 41202 of the Education Code,
24 for the 2009–10 fiscal year, and included within the “total
25 allocations to school districts and community college districts from
26 General Fund proceeds of taxes appropriated pursuant to Article
27 XIII B,” as defined in subdivision (e) of Section 41202 of the
28 Education Code, for the 2009–10 fiscal year.

29 SEC. 23. *Section 35 of Chapter 757 of the Statutes of 2008 is*
30 *amended to read:*

31 Sec. 35. (a) The sum of ~~two hundred million dollars~~
32 ~~(\$200,000,000)~~ *five hundred forty million dollars (\$540,000,000)*
33 is hereby appropriated from the General Fund to the Board of
34 Governors of the California Community Colleges for
35 apportionments to community college districts, for expenditure
36 during the 2009–10 fiscal year, to be expended in accordance with
37 Schedule (1) of Item 6870-101-0001 of Section 2.00 of the Budget
38 Act of 2008.

39 (b) *The disbursement of funds appropriated in subdivision (a) shall*
40 *be deferred until July of the 2009–10 fiscal year. This*

1 *appropriation and deferment represent one hundred fifteen million*
2 *dollars (\$115,000,000) of the January apportionment to community*
3 *college districts, one hundred fifteen million dollars (\$115,000,000)*
4 *of the February apportionment to community college districts,*
5 *fifty-five million dollars (\$55,000,000) of the March apportionment*
6 *to community college districts and fifty-five million dollars*
7 *(\$55,000,000) of the April apportionment to community college*
8 *districts, and two hundred million dollars (\$200,000,000) of the*
9 *June apportionment to community college districts.*

10 (b)

11 (c) For the purposes of making the computations required by
12 Section 8 of Article XVI of the California Constitution, the
13 appropriation made by subdivision (a) shall be deemed to be
14 “General Fund revenues appropriated for community college
15 districts,” as defined in subdivision (d) of Section 41202 of the
16 Education Code, for the 2009–10 fiscal year, and included within
17 the “total allocations to school districts and community college
18 districts from General Fund proceeds of taxes appropriated pursuant
19 to Article XIII B,” as defined in subdivision (e) of Section 41202
20 of the Education Code, for the 2009–10 fiscal year.

21 *SEC. 24. Section 37 of Chapter 757 of the Statutes of 2008 is*
22 *amended to read:*

23 Sec. 37. (a) Notwithstanding Sections 42238.1 and 42238.15
24 of the Education Code or any other provision of law, the
25 cost-of-living adjustment for Items 6110-104-0001,
26 6110-105-0001, ~~6110-111-0001~~, 6110-119-0001, 6110-122-0001,
27 6110-124-0001, 6110-128-0001, 6110-150-0001, 6110-156-0001,
28 6110-158-0001, 6110-161-0001, 6110-167-0001, 6110-181-0001,
29 6110-189-0001, 6110-190-0001, 6110-193-0001, 6110-196-0001,
30 6110-203-0001, 6110-209,0001, 6110-211-0001, 6110-224-0001,
31 6110-232-0001, 6110-234-0001, 6110-244-0001, and
32 6110-246-0001 of Section 2.00 of the Budget Act of 2007
33 (Chapters 171 and 172 of the Statutes of 2007) and those items
34 identified in subdivision (b) of Section 12.40 of the Budget Act
35 of 2008 (Chapters 268 and 269 of the Statutes of 2008) is zero
36 percent for the 2008–09 fiscal year. All funds appropriated in the
37 Budget Act of 2008 in the items identified in this section are in
38 lieu of the amounts that would otherwise be appropriated pursuant
39 to any other provision of law.

(b) Notwithstanding Section 42238.1 of the Education Code or any other provision of law, for purposes of Section 48664 of the Education Code the cost-of-living adjustment is zero percent for the 2008–09 fiscal year.

SEC. 25. Item 6110-111-0001 of Section 2.00 of the Budget Act of 2008 is repealed.

~~6110-111-0001—For local assistance, Department of Education (Proposition 98), Program 10-Instruction, for transfer to Section A of the State School Fund, Home to School Transportation, pursuant to Article 10 (commencing with Section 41850) of Chapter 5 of Part 24 of Division 3 of Title 2 of the Education Code, and Small School District Transportation, pursuant to Article 4.5 (commencing with Section 42290) of Chapter 7 of Part 24 of Division 3 of Title 2 of the Education Code.....~~

566,131,000

~~Schedule:~~

~~(1) 10.10.006-Pupil Transportation.....~~

~~560,045,000~~

~~(2) 10.10.008-Small School District Bus Replacement.....~~

~~6,086,000~~

~~Provisions:~~

- ~~1. Of the funds appropriated in this item, \$0 is for the purpose of providing a cost-of-living adjustment.~~
- ~~2. An additional \$52,583,000 in expenditures for this item has been deferred until the 2009–10 fiscal year.~~
- ~~3. Notwithstanding any other provision of law, of the funds appropriated in this item and the funds deferred for this program as reflected in Provision 2, an amount equal to the amount of reimbursement to the General Fund pursuant to Section 24.85 shall be used to provide mass transportation services for pupils enrolled in school districts that receive these funds.~~

SEC. 26. Item 6110-111-0046 is added to Section 2.00 of the Budget Act of 2008, to read:

6110-111-0046—For local assistance, Department of Education
(from the Public Transportation Account, State Transportation Fund) Program 10-Instruction, for transfer to Section A of the State School Fund, Home to School Transportation, pursuant to Article 10 (commencing with Section 41850) of Chapter 5 of Part 24 of Division 3 of Title 2 of the Education Code..... 198,446,000

Provisions:

1. Notwithstanding any other provision of law, these funds shall be used to provide mass transportation services for pupils enrolled in school districts that receive these funds.

SEC. 27. Item 6110-111-3116 is added to Section 2.00 of the Budget Act of 2008, to read:

6110-111-3116—For local assistance, Department of Education
(from the Mass Transportation Fund) Program 10-Instruction, for transfer to Section A of the State School Fund, Home to School Transportation, pursuant to Article 10 (commencing with Section 41850) of Chapter 5 of Part 24 of Division 3 of Title 2 of the Education Code, and Small School District Transportation, pursuant to Article 4.5 (commencing with Section 42290) of Chapter 7 of Part 24 of Division 3 of Title 2 of the Education Code..... 420,268,000

Schedule:

(1) 10.10.006-Pupil Transportation..... 414,182,000

(2) 10.10.008-Small School District Bus Replacement..... 6,086,000

Provisions:

1. Of the funds appropriated in this item, \$0 is for the purpose of providing a cost-of-living adjustment.

2. Notwithstanding any other provision of law, these funds shall be used to provide mass transportation services for pupils enrolled in school districts that receive these funds.

SEC. 28. Item 6110-196-0001 of Section 2.00 of the Budget Act of 2008 is amended to read:

1	6110-196-0001—For local assistance, Department of Educa-	
2	tion (Proposition 98), for transfer by the Controller to	
3	Section A of the State School Fund, for allocation by	
4	the Superintendent of Public Instruction to school dis-	
5	tricts, county offices of education, and other agencies	
6	for the purposes of Proposition 98 educational programs	
7	funded in this item, in lieu of the amount that otherwise	
8	would be appropriated pursuant to any other statute.....	1,772,364,000
9		1,675,043,000
10	Schedule:	
11	(1) 30.10.010-Special Program, Child De-	
12	velopment, Preschool Education.....	441,854,000
13		426,327,000
14	(1.5) 30.10.020-Child Care Services.....	1,857,104,000
15		1,775,310,000
16	(a) 30.10.020.001-Spe-	
17	cial Program, Child	
18	Development, Gen-	
19	eral Child Develop-	
20	ment Programs.....	804,649,000
21		773,796,000
22	(c) 30.10.020.004-Spe-	
23	cial Program, Child	
24	Development, Mi-	
25	grant Day Care.....	40,570,000
26		35,966,000
27	(d) 30.10.020.007-Spe-	
28	cial Program, Child	
29	Development, Alter-	
30	native Payment Pro-	
31	gram.....	257,037,000
32	(e) 30.10.020.011-Spe-	
33	cial Program, Child	
34	Development, Alter-	
35	native Payment Pro-	
36	gram—Stage 2.....	369,960,000
37		342,960,000

1	(f) 30.10.020.012-Spe-	
2	cial Program, Child	
3	Development, Alter-	
4	native Payment Pro-	
5	gram—Stage 3 Seta-	
6	side.....	245,204,000
7		230,204,000
8	(g) 30.10.020.008-Spe-	
9	cial Program, Child	
10	Development, Re-	
11	source and Refer-	
12	ral.....	19,438,000
13	(i) 30.10.020.015-Spe-	
14	cial Program, Child	
15	Development, Extend-	
16	ed Day Care.....	35,890,000
17		31,553,000
18	(j) 30.10.020.096-Special	
19	Program, Child Devel-	
20	opment, Allowance for	
21	Handicapped.....	1,997,000
22	(k) 30.10.020.106-Special	
23	Program, Child Devel-	
24	opment, California	
25	Child Care Initia-	
26	tive.....	250,000
27	(l) 30.10.020.901-Spe-	
28	cial Program, Child	
29	Development, Quali-	
30	ty Improvement.....	67,572,000
31	(m) 30.10.020.911-Special	
32	Program, Child Devel-	
33	opment, Centralized	
34	Eligibility List.....	7,900,000
35	(n) 30.10.020.920-Special	
36	Program, Child Devel-	
37	opment, Local Plan-	
38	ning Councils.....	6,637,000

1	(3) 30.10.020.908-Special Program, Child	
2	Development, Cost-of-Living Adjust-	
3	ments.....	0
4	(4) 30.10.020.909-Special Program, Child	
5	Development, Growth Adjustments.....	10,917,000
6	(5) Amount payable from the Federal	
7	Trust Fund (Item 6110-196-0890).....	-537,511,000
8		-537,511,000
9	Provisions:	
10	1. Notwithstanding Section 8278 of the Education Code,	
11	funds available for expenditure pursuant to that section	
12	shall be expended in the current fiscal year pursuant	
13	to the following schedule:	
14	(a) \$4,000,000 or whatever lesser or greater amount	
15	is necessary for accounts payable pursuant to	
16	paragraph (1) of subdivision (b) of Section 8278	
17	of the Education Code.	
18	(b) \$22,963,000 shall be available for CalWORKs	
19	Stage 3 child care.	
20	(c) The Controller shall establish an account entitled	
21	“Section 8278 Expenditures in 2007” in Item	
22	6110-196-0001, Program 30.10.060. Any unex-	
23	pended General Fund balances as of June 30,	
24	2008, or subsequent abatements, from those	
25	amounts listed in Schedules (1), (1.5)(a), (1.5)(c),	
26	(1.5)(d), (1.5)(g), (1.5)(i), (1.5)(j), (1.5)(k),	
27	(1.5)(l), and (1.5)(n), that are available pursuant	
28	to Section 8278 of the Education Code, shall be	
29	transferred to the account for the purpose of	
30	making expenditures pursuant to that section and	
31	as specified in this provision.	
32	2. (a) Notwithstanding any other provision of law, alter-	
33	native payment child care programs shall be sub-	
34	ject to the rate ceilings established in the Regional	
35	Market Rate Survey of California child care and	
36	development providers for provider payments.	
37	When approved pursuant to Section 8447 of the	
38	Education Code, any changes to the market rate	
39	limits, adjustment factors, or regions shall be uti-	
40	lized by the State Department of Education and	

the State Department of Social Services in various programs under the jurisdiction of either department.

(b) Notwithstanding any other provision of law, the funds appropriated in this item for the cost of licensed child care services provided through alternative payment or voucher programs, including those provided under Article 3 (commencing with Section 8220) and Article 15.5 (commencing with Section 8350) of Chapter 2 of Part 6 of Division 1 of Title 1 of the Education Code, shall be used only to reimburse child care costs up to the 85th percentile of the rates charged by providers offering the same type of child care for the same age child in that region effective March 1, 2009, based on the 2007 Regional Market Rate Survey data. The State Department of Education shall cause to be developed rate limits at the 85th percentile, based on the 2007 survey data, and submit for approval in accordance with law to the Department of Finance no later than October 1, 2008, to enable the rate limits to be reviewed and then implemented by March 1, 2009. The State Department of Education may redirect funding from funds normally reserved for new surveys to achieve this goal, as necessary based on the 2005 regional market rate survey. Notwithstanding Section 8357 of the Education Code, it is the intent of the Legislature to consider new rate limits based on the 2007 regional market rate survey data for the 2009–10 fiscal year.

3. Of the amount appropriated in Schedule (1), \$50,000,000 is available for Prekindergarten and Family Literacy preschool programs pursuant to Chapter 211 of the Statutes of 2006. Of the amount appropriated in Schedule (1), \$5,000,000 is available for the provision of wraparound care to children enrolled in state preschool programs. The Superintendent of Public Instruction shall assign priority for these funds to children enrolled in prekindergarten and

- 1 family literacy programs authorized by Section 8238.4
2 of the Education Code.
- 3 4. Funds in Schedule (1.5)(I) shall be reserved for activ-
4 ities to improve the quality and availability of child
5 care, pursuant to the following:
- 6 (a) \$2,014,056 is for the schoolage care and resource
7 and referral earmark.
- 8 (b) \$11,359,176 is for the infant and toddler earmark
9 and shall be used for increasing the supply of
10 quality child care for infants and toddlers.
- 11 (c) \$7,237,000 in one-time federal funding is avail-
12 able for use in the 2008–09 fiscal year. Of that
13 amount, \$200,000 shall be used for Trustline
14 registration workload (Chapter 3.35 (commencing
15 with Section 1596.60) of Division 2 of the Health
16 and Safety Code). The remaining funds shall be
17 used for child care and development quality ex-
18 penditures identified by the State Department of
19 Education (SDE) and approved by the Department
20 of Finance.
- 21 (d) From the remaining funds in Schedule (1.5)(I),
22 the following amounts shall be allocated for the
23 following purposes: \$4,000,000 to train former
24 CalWORKs recipients as child care teachers,
25 \$2,700,000 for contracting with the State Depart-
26 ment of Social Services (DSS) for increased in-
27 spections of child care facilities, \$1,000,000 for
28 Trustline registration workload (Chapter 3.35
29 (commencing with Section 1596.60) of Division
30 2 of the Health and Safety Code), \$500,000 for
31 health and safety training for licensed and exempt
32 child care providers, \$300,000 for the Health
33 Hotline, and \$300,000 to implement a technical
34 assistance program to child care providers in ac-
35 cessing financing for renovation, expansion, or
36 construction of child care facilities.
- 37 5. Of the amount appropriated in Schedule (1.5)(I),
38 \$15,000,000 shall be for child care worker recruitment
39 and retention programs pursuant to Section 8279.7 of

the Education Code, and \$320,000 shall be for the Child Development Training Consortium.

6. (a) The State Department of Education (SDE) shall conduct monthly analyses of CalWORKs Stage 2 and Stage 3 caseloads and expenditures and adjust agency contract maximum reimbursement amounts and allocations as necessary to ensure funds are distributed proportionally to need. The SDE shall share monthly caseload analyses with the State Department of Social Services (DSS).
- (b) The SDE shall provide quarterly information regarding the sufficiency of funding for Stage 2 and Stage 3 to DSS. The SDE shall provide caseloads, expenditures, allocations, unit costs, family fees, and other key variables and assumptions used in determining the sufficiency of state allocations. Detailed backup by month and on a county-by-county basis shall be provided to the DSS at least on a quarterly basis for comparisons with Stage 1 trends.
- (d) By September 30 and March 30 of each year, the SDE shall ensure that detailed caseload and expenditure data, through the most recent period for Stage 2 and Stage 3 Setaside along with all relevant assumptions, is provided to DSS to facilitate budget development. The detailed data provided shall include actual and projected monthly caseload from Stage 2 scheduled to time off of their transitional child care benefit from the last actual month reported by agencies through the next two fiscal years as well as local attrition experience. DSS shall utilize data provided by the SDE, including key variables from the prior fiscal year and the first two months of the current fiscal year, to provide coordinated estimates in November of each year for each of the three stages of care for preparation of the Governor's Budget, and shall utilize data from at least the first two quarters of the current fiscal year, and any additional monthly data as they become available for

- 1 preparation of the May Revision. The DSS shall
2 share its assumptions and methodology with the
3 SDE in the preparation of the Governor's Budget.
- 4 (e) The SDE shall coordinate with the DSS to identify
5 annual general subsidized child care program ex-
6 penditures for Temporary Assistance for Needy
7 Families-eligible children. The SDE shall modify
8 existing reporting forms as necessary to capture
9 this data.
- 10 (f) The SDE shall provide to the DSS, upon request,
11 access to the information and data elements nec-
12 cessary to comply with federal reporting require-
13 ments and any other information deemed neces-
14 sary to improve estimation of child care budgeting
15 needs.
- 16 7. Notwithstanding any other provision of law, the funds
17 in Schedule (1.5)(f) are reserved exclusively for con-
18 tinuing child care for the following: (a) former Cal-
19 WORKs families who are working, have left cash aid,
20 and have exhausted their two-year eligibility for tran-
21 sitional services in either Stage 1 or 2 pursuant to
22 subdivision (c) of Section 8351 or Section 8353 of the
23 Education Code, respectively, but still meet eligibility
24 requirements for receipt of subsidized child care ser-
25 vices, and (b) families who received lump-sum diver-
26 sion payments or diversion services under Section
27 11266.5 of the Welfare and Institutions Code and have
28 spent two years in Stage 2 off of cash aid, but still
29 meet eligibility requirements for receipt of subsidized
30 child care services.
- 31 8. Nonfederal funds appropriated in this item which have
32 been budgeted to meet the state's Temporary Assis-
33 tance for Needy Families maintenance-of-effort require-
34 ment established pursuant to the federal Personal Re-
35 sponsibility and Work Opportunity Reconciliation Act
36 of 1996 (P.L. 104-193) may not be expended in any
37 way that would cause their disqualification as a feder-
38 ally allowable maintenance-of-effort expenditure.
- 39 9. (a) Notwithstanding any other provision of law, the
40 income eligibility limits pursuant to Section

8263.1 of the Education Code that were applicable to the 2007–08 fiscal year shall remain in effect for the 2008–09 fiscal year.

10. Of the amounts provided in this item, \$0 is available to provide a cost-of-living adjustment for Schedules (1), (1.5)(a), (1.5)(c), (1.5)(d), (1.5)(g), (1.5)(i), (1.5)(j), and (1.5)(n). The maximum standard reimbursement rate shall not exceed \$34.38 per day for general child care programs and \$21.22 per day for state preschool programs. Furthermore, the migrant child care and Cal-SAFE child care programs shall adhere to the maximum standard reimbursement rates as prescribed for the general child care programs. All other rates and adjustment factors shall be revised to conform.
11. Of the amounts provided in this item, \$10,917,000 is available to provide a growth adjustment for Schedules (1), (1.5)(a), (1.5)(c), (1.5)(d), (1.5)(i), and (1.5)(j).
12. (a) Notwithstanding any other provision of law, the funds in Schedule (1.5)(m) are appropriated exclusively for developing and maintaining a centralized eligibility list in each county pursuant to Section 8227 of the Education Code. By November 1 of each year, the State Department of Education shall provide a status report on implementing eligibility lists in each county, which shall include, but is not limited to, the cost of implementation and operation of the eligibility lists in each county, and number of children and families on the list for each county.
13. Notwithstanding Section 8278.3 of the Education Code or any other provision of law, up to \$5,000,000 of the Child Care Facilities Revolving Fund balance may be allocated for use on a one-time basis for renovations and repairs to meet health and safety standards, to comply with the federal Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12101 et seq.), and to perform emergency repairs, that were the result of an unforeseen event and are necessary to maintain continued normal operation of the child care and develop-

ment program. These funds shall be made available to school districts and contracting agencies that provide subsidized center-based services pursuant to the Child Care and Development Services Act (Chapter 2 (commencing with Section 8200) of Part 6 of Division 1 of Title 1 of the Education Code).

14. It is the intent of the Legislature to fully fund the third stage of child care for former CalWORKs recipients.

SEC. 29. Item 6110-234-0001 of the Budget Act of 2008 is amended to read:

6110-234-0001—For local assistance, Department of Education (Proposition 98), Program 10.25, for transfer by the Controller to Section A of the State School Fund, for allocation by the Superintendent of Public Instruction for the Class Size Reduction Program pursuant to Chapter 6.10 (commencing with Section 52120) of Part 28 of Division 4 of Title 2 of the Education Code..... ~~1,815,453,000~~
1,769,291,231

Provisions:

1. Schools participating in Option One shall receive a per-pupil rate of \$1,071. Schools participating in Option Two shall receive a per-pupil rate of \$535.

SEC. 30. Item 6110-488 of Section 2.00 of the Budget Act of 2008 is amended to read:

6110-488—Reappropriation (Proposition 98), Department of Education. Notwithstanding any other provision of law, the unobligated balances from the following items are available for reappropriation for the purposes specified in Provisions ~~1, 2, and~~ 3, 4, and 5:

0001—General Fund

- (1) \$12,000 or whatever greater or lesser amount reflects the unexpended balance of the amount appropriated for preschool education and child care programs in Schedules (1) and (1.5) of Item 6110-196-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003), as carried

- forward per Provision 1 of Item 6110-196-0001 of the Budget Act of 2005 (Chs. 38 and 39, Stats. 2005).
- (2) \$1,441,000 or whatever greater or lesser amount reflects the unexpended balance of the amount appropriated for preschool education and child care programs in Schedules (1) and (1.5) of Item 6110-196-0001 of the Budget Act of 2004 (Ch. 208, Stats. 2004), as carried forward per Provision 1 of Item 6110-196-0001 of the Budget Act of 2006 (Chs. 47 and 48, Stats. 2006).
- (3) \$3,663,000 or whatever greater or lesser amount reflects the unexpended balance of the amount appropriated for preschool education and child care programs in Schedules (1) and (1.5) of Item 6110-196-0001 of the Budget Act of 2005 (Chs. 38 and 39, Stats. 2005), \$1,749,000 of which was carried forward per Provision 1 of Item 6110-196-0001 of the Budget Act of 2007 (Chs. 171 and 172, Stats. 2007).
- (4) \$12,921,000 or whatever greater or lesser amount reflects the unexpended balance of the amount appropriated for CalWORKs Stage 2 and Stage 3 child care in Schedules (1.5)(e) and (1.5)(f) of Item 6110-196-0001 of the Budget Act of 2006 (Chs. 47 and 48, Stats. 2006).
- (6) \$18,120,000 or whatever greater or lesser amount reflects the unexpended balance of the amount appropriated for preschool education and child care programs in Schedules (1) and (1.5) of Item 6110-196-0001 of the Budget Act of 2007 (Chs. 171 and 172, Stats. 2007), with the exception of Schedules (1.5)(e) and (1.5)(f) for CalWORKs child care programs.
- (7) \$8,000,000 of the amount appropriated to the Child Care Facilities Revolving Fund established pursuant to Section 8278.3 of the Education Code from Section 2.00 of the Budget Act of 2007 (Chs. 171 and 172, Stats. 2007).
- (8) \$5,000,000 or whatever greater or lesser amount reflects the unexpended balance of the amount appropriated for the provision of wraparound care to children

- 1 enrolled in preschool programs pursuant to Section
2 8238.6 of the Education Code (Ch. 211, Stats. 2006).
3 (9) \$48,000 or whatever greater or lesser amount reflects
4 the unexpended funds from subdivision (a) of Section
5 9 of Chapter 734 of the Statutes of 1999.
6 (10) \$21,000 or whatever greater or lesser amount reflects
7 the unexpended balance of the amount appropriated
8 for Community-Based English Tutoring pursuant to
9 Section 315 of the Education Code, as enacted by
10 Proposition 227 in 1998.
11 (11) \$9,200,000 or whatever greater or lesser amount re-
12 flects the unexpended balance of the amount appropri-
13 ated for juvenile education in Item 5225-011-0001 of
14 the Budget Act of 2007 (Chs. 171 and 172, Stats.
15 2007).
16 (12) \$76,000 or whatever greater or lesser amount reflects
17 the unexpended balance of the amount appropriated
18 for Small School District Bus Replacement in
19 Schedule (2) of Item 6110-111-0001 of the Budget
20 Act of 2005 (Chs. 38 and 39, Stats. 2005).
21 (13) \$488,000 or whatever greater or lesser amount reflects
22 the unexpended balance of the amount appropriated
23 for Home to School Transportation in Schedule (1)
24 of Item 6110-111-0001 of the Budget Act of 2006
25 (Chs. 47 and 48, Stats. 2006).
26 (14) \$545,000 or whatever greater or lesser amount reflects
27 the unexpended balance of the amount appropriated
28 for the California High School Exit Examination in
29 Schedule (4) of Item 6110-113-0001 of the Budget
30 Act of 2006 (Chs. 47 and 48, Stats. 2006).
31 (15) \$2,060,000 or whatever greater or lesser amount re-
32 flects the unexpended balance of the amount appropri-
33 ated for Assessment Review and Reporting and the
34 STAR Program in Schedules (1) and (2) of Item 6110-
35 113-0001 of the Budget Act of 2007 (Chs. 171 and
36 172, Stats. 2007).
37 (16) \$19,000 or whatever greater or lesser amount reflects
38 the unexpended balance of the amount appropriated
39 for transfer to the State School Fund for specialized

- 1 secondary programs in Item 6110-122-0001 of the
2 Budget Act of 2006 (Chs. 47 and 48, Stats. 2006).
- 3 (17) \$17,000 or whatever greater or lesser amount reflects
4 the unexpended balance of the amount appropriated
5 for the Immediate Intervention/Underperforming
6 Schools Program Corrective Actions in Schedule (3)
7 of Item 6110-123-0001 of the Budget Act of 2005
8 (Chs. 38 and 39, Stats. 2005).
- 9 (18) \$2,993,000 or whatever greater or lesser amount re-
10 flects the unexpended balance of the amount appropri-
11 ated for the implementation of the Public Schools
12 Accountability Act of 1999 for the Immediate Inter-
13 vention/Underperforming Schools Program Corrective
14 Actions in Schedule (2) of Item 6110-123-0001 of the
15 Budget Act of 2006 (Chs. 47 and 48, Stats. 2006).
- 16 (19) \$615,000 or whatever greater or lesser amount reflects
17 the unexpended balance of the amount appropriated
18 for the implementation of the Public Schools Account-
19 ability Act of 1999 for the Immediate Intervention/Un-
20 derperforming Schools Program Corrective Actions
21 in Schedule (2) of Item 6110-123-0001 of the Budget
22 Act of 2007 (Chs. 171 and 172, Stats. 2007).
- 23 (20) \$5,149,000 or whatever greater or lesser amount re-
24 flects the unexpended balance of the amount appropri-
25 ated for the English Language Learners Program in
26 Schedule (2) of Item 6110-125-0001 of the Budget
27 Act of 2006 (Chs. 47 and 48, Stats. 2006).
- 28 (21) \$5,149,000 or whatever greater or lesser amount re-
29 flects the unexpended balance of the amount appropri-
30 ated for the English Language Acquisition Program
31 in Schedule (2) of Item 6110-125-0001 of the Budget
32 Act of 2007 (Chs. 171 and 172, Stats. 2007).
- 33 (22) \$109,000 or whatever greater or lesser amount reflects
34 the unexpended balance of the amount appropriated
35 for transfer to the State School Fund for Economic
36 Impact Aid in Schedule (1) of Item 6110-128-0001
37 of the Budget Act of 2005 (Chs. 38 and 39, Stats.
38 2005).
- 39 (23) \$4,000 or whatever greater or lesser amount reflects
40 the unexpended balance of the amount appropriated

- 1 for transfer to the State School Fund for Economic
2 Impact Aid in Item 6110-128-0001 of the Budget Act
3 of 2006 (Chs. 47 and 48, Stats. 2006).
- 4 (24) \$1,500,000 or whatever greater or lesser amount re-
5 flects the unexpended balance of the amount appropri-
6 ated for the Administrator Training Program in Item
7 6110-144-0001 of the Budget Act of 2007 (Chs. 171
8 and 172, Stats. 2007).
- 9 (25) \$7,000 or whatever greater or lesser amount reflects
10 the unexpended balance of the amount appropriated
11 for the American Indian Early Childhood Education
12 Program in Item 6110-150-0001 of the Budget Act
13 of 2006 (Chs. 47 and 48, Stats. 2006).
- 14 (26) \$110,000 or whatever greater or lesser amount reflects
15 the unexpended balance of the amount appropriated
16 for American Indian Education Centers in Schedule
17 (1) of Item 6110-151-0001 of the Budget Act of 2005
18 (Chs. 38 and 39, Stats. 2005).
- 19 (27) \$177,000 or whatever greater or lesser amount reflects
20 the unexpended balance of the amount appropriated
21 for American Indian Education Centers in Item 6110-
22 151-0001 of the Budget Act of 2006 (Chs. 47 and 48,
23 Stats. 2006).
- 24 (28) \$1,385,000 or whatever greater or lesser amount re-
25 flects the unexpended balance of the amount appropri-
26 ated for adults in correctional facilities in Item 6110-
27 158-0001 of the Budget Act of 2006 (Chs. 47 and 48,
28 Stats. 2006).
- 29 (29) \$107,000 or whatever greater or lesser amount reflects
30 the unexpended balance of the amount appropriated
31 for special education instruction in Schedule (1) of
32 Item 6110-161-0001 of the Budget Act of 2005 (Chs.
33 38 and 39, Stats. 2005).
- 34 (30) \$21,919,000 or whatever greater or lesser amount re-
35 flects the unexpended balance of the amount appropri-
36 ated for special education instruction in Schedule (1)
37 of Item 6110-161-0001 of the Budget Act of 2006
38 (Chs. 47 and 48, Stats. 2006).
- 39 (31) \$57,000 or whatever greater or lesser amount reflects
40 the unexpended balance of the amount appropriated

- 1 for vocational education for partnership academies in
2 Item 6110-166-0001 of the Budget Act of 2006 (Chs.
3 47 and 48, Stats. 2006).
- 4 (32) \$23,000 or whatever greater or lesser amount reflects
5 the unexpended balance of the amount appropriated
6 for the Agricultural Vocational Education Incentive
7 Program in Item 6110-167-0001 of the Budget Act
8 of 2005 (Chs. 38 and 39, Stats. 2005).
- 9 (33) \$369,000 or whatever greater or lesser amount reflects
10 the unexpended balance of the amount appropriated
11 for educational technology programs in Item 6110-
12 181-0001 of the Budget Act of 2005 (Chs. 38 and 39,
13 Stats. 2005).
- 14 (34) \$369,000 or whatever greater or lesser amount reflects
15 the unexpended balance of the amount transferred to
16 the State School Fund for educational technology
17 programs in Item 6110-181-0001 of the Budget Act
18 of 2006 (Chs. 47 and 48, Stats. 2006).
- 19 (35) \$27,000 or whatever greater or lesser amount reflects
20 the unexpended balance of the amount appropriated
21 for staff development for teacher peer review in
22 Schedule (2) of Item 6110-193-0001 of the Budget
23 Act of 2005 (Chs. 38 and 39, Stats. 2005).
- 24 (36) \$95,000 or whatever greater or lesser amount reflects
25 the unexpended balance of the amount appropriated
26 for the Bilingual Teacher Training Assistance Program
27 and teacher peer review in Schedules (1) and (2) of
28 Item 6110-193-0001 of the Budget Act of 2006 (Chs.
29 47 and 48, Stats. 2006).
- 30 (37) \$43,000 or whatever greater or lesser amount reflects
31 the unexpended balance of the amount appropriated
32 for transfer to the State School Fund for teacher dis-
33 missal apportionments in Item 6110-209-0001 of the
34 Budget Act of 2006 (Chs. 47 and 48, Stats. 2006).
- 35 (38) \$13,000 or whatever greater or lesser amount reflects
36 the unexpended balance of the amount appropriated
37 for School Community Policing Partnership Compet-
38 itive Grants Program in Schedule (5) of Item 6110-
39 228-0001 of the Budget Act of 2004 (Ch. 208, Stats.
40 2004).

- 1 (39) \$21,000 or whatever greater or lesser amount reflects
2 the unexpended balance of the amount appropriated
3 for the International Baccalaureate Diploma Program
4 in Schedule (1) of Item 6110-240-0001 of the Budget
5 Act of 2005 (Chs. 38 and 39, Stats. 2005).
- 6 (40) \$6,000 or whatever greater or lesser amount reflects
7 the unexpended balance of the amount appropriated
8 for the Teacher Credentialing Block Grant Program
9 in Item 6110-244-0001 of the Budget Act of 2006
10 (Chs. 47 and 48, Stats. 2006).
- 11 (41) \$79,000 or whatever greater or lesser amount reflects
12 the unexpended balance of the amount appropriated
13 for the School and Library Improvement Block Grant
14 Program in Item 6110-247-0001 of the Budget Act
15 of 2006 (Chs. 47 and 48, Stats. 2006).
- 16 (42) \$186,000 or whatever greater or lesser amount reflects
17 the unexpended balance of the amount appropriated
18 for the School and Library Improvement Block Grant
19 Program in Item 6110-247-0001 of the Budget Act
20 of 2007 (Chs. 171 and 172, Stats. 2007).
- 21 (43) \$30,000 or whatever greater or lesser amount reflects
22 the unexpended balance of the amount appropriated
23 for the Physical Education Teacher Incentive Grant
24 Program in Item 6110-260-0001 of the Budget Act
25 of 2006 (Chs. 47 and 48, Stats. 2006).
- 26 (44) \$641,000 or whatever greater or lesser amount reflects
27 the unexpended balance of the amount appropriated
28 to county offices of education for site visits for
29 Williams audits in Item 6110-266-0001 of the Budget
30 Act of 2007 (Chs. 171 and 172, Stats. 2007).
- 31 (45) \$101,000 or whatever greater or lesser amount reflects
32 the unexpended balance of the amount appropriated
33 for the Charter School Facility Grant Program in
34 Schedule (7) of Item 6110-485 of the Budget Act of
35 2005 (Chs. 38 and 39, Stats. 2005).
- 36 (46) \$600,000 or whatever greater or lesser amount reflects
37 the unexpended balance of the amount appropriated
38 for the Principal Training Program in Schedule (8) of
39 Item 6110-485 of the Budget Act of 2006 (Chs. 47
40 and 48, Stats. 2006).

- 1 (47) \$25,645,000 or whatever greater or lesser amount re-
2 flects the unexpended balance for the After School
3 Education and Safety Program in Item 6110-649-0001
4 from the 2004–05 fiscal year appropriation pursuant
5 to Section 8483.5 of the Education Code, as enacted
6 by Proposition 49 in 2002.
- 7 (48) \$178,352,000 or whatever greater or lesser amount
8 reflects the unexpended balance for the After School
9 Education and Safety Program in Item 6110-649-0001
10 from the 2007–08 fiscal year appropriation pursuant
11 to Section 8483.5 of the Education Code, as enacted
12 by Proposition 49 in 2002, and pursuant to Section
13 8483.51 of the Education Code as enacted by Chapter
14 2 of the Statutes of 2008, Third Extraordinary Session.
- 15 (49) \$20,000,000 or whatever greater or lesser amount re-
16 flects the unexpended balance of the amount appropri-
17 ated for special education instruction in Schedule (1)
18 of Item 6110-161-0001 of the Budget Act of 2007
19 (Chs. 171 and 172, Stats. 2007).
- 20 (50) \$520,000 or whatever greater or lesser amount reflects
21 the unexpended balance for the After School Educa-
22 tion and Safety Program in Item 6110-649-0001 from
23 the 2006–07 fiscal year appropriation pursuant to
24 Section 8483.5 of the Education Code, as enacted by
25 Proposition 49 in 2002, and pursuant to Section
26 8483.51 of the Education Code, as enacted by Chapter
27 2 of the Statutes of 2008, Third Extraordinary Session.
- 28 (51) *\$3,207,465 or whatever greater or lesser amount re-*
29 *flects the unexpended balance of the amount appropri-*
30 *ated for special education programs in Schedule (1)*
31 *of Item 6110-161-0001 of the Budget Act of 2003 (Ch.*
32 *157, Stats. 2003).*
- 33 (52) *\$10,922 or whatever greater or lesser amount reflects*
34 *the unexpended balance of the amount appropriated*
35 *for the School Safety Consolidated Competitive Grant*
36 *in Item 6110-248-0001 of the Budget Act of 2005*
37 *(Chs. 38 and 39, Stats. 2005).*
- 38 (53) *\$10,000 or whatever greater or lesser amount reflects*
39 *the unexpended balance of the amount appropriated*
40 *for the adult education program and regional occupa-*

- 1 *tional programs pursuant to Article 2 (commencing*
2 *with Section 51120) of Chapter 1.5 of Part 28 of Di-*
3 *vision 4 of Title 2 of the Education Code in Schedule*
4 *(3) of Section 43 of Chapter 79 of the Statutes of 2006.*
5 (54) *\$27,500 or whatever greater or lesser amount reflects*
6 *the unexpended balance of the amount appropriated*
7 *for the parental involvement program pursuant to*
8 *Article 2 (commencing with Section 51120) of Chapter*
9 *1.5 of Part 28 of Division 4 of Title 2 of the Education*
10 *Code in Schedule (9) of Section 43 of Chapter 79 of*
11 *the Statutes of 2006.*
12 (55) *\$114,395 or whatever greater or lesser amount re-*
13 *fects the unexpended balance of the amount appropri-*
14 *ated for teacher recruitment and retention pursuant*
15 *to Article 2 (commencing with Section 51120) of*
16 *Chapter 1.5 of Part 28 of Division 4 of Title 2 of the*
17 *Education Code in Schedule (20) of Section 43 of*
18 *Chapter 79 of the Statutes of 2006.*
19 (56) *\$25,725 or whatever greater or lesser amount reflects*
20 *the unexpended balance of the amount appropriated*
21 *for start-up school breakfast and summer food pro-*
22 *gram pursuant to Article 2 (commencing with Section*
23 *51120) of Chapter 1.5 of Part 28 of Division 4 of Title*
24 *2 of the Education Code in Schedule (8) of Section 43*
25 *of Chapter 79 of the Statutes of 2006.*
26 (57) *\$831,523 or whatever greater or lesser amount re-*
27 *fects the unexpended balance of the amount appropri-*
28 *ated for prior year mandate claims made by local*
29 *education agencies pursuant to Article 2 (commencing*
30 *with Section 51120) of Chapter 1.5 of Part 28 of Di-*
31 *vision 4 of Title 2 of the Education Code in Schedule*
32 *(1) of Section 43 of Chapter 79 of the Statutes of 2006.*
33 (58) *\$3,115,995 or whatever greater or lesser amount re-*
34 *fects the unexpended balance of the amount appropri-*
35 *ated for the High Priority Schools Grant Program in*
36 *Schedule (1) of Item 6110-123-0001 of the Budget Act*
37 *of 2006 (Chs. 47 and 48, Stats. 2006).*
38 (59) *\$247,611 or whatever greater or lesser amount re-*
39 *fects the unexpended balance of the amount appropri-*
40 *ated for the Special Education Infant Program in*

- 1 *Schedule (1) of Item 6110-161-0001 of the Budget Act*
2 *of 2006 (Chs. 47 and 48, Stats. 2006).*
3 (60) *\$730,454 or whatever greater or lesser amount re-*
4 *flects the unexpended balance of the amount appropri-*
5 *ated for the Early Education for Individuals with Ex-*
6 *ceptional Needs in Schedule (2) of Item 6110-161-*
7 *0001 of the Budget Act of 2006 (Chs. 47 and 48, Stats.*
8 *2006).*
9 (61) *\$44,135 or whatever greater or lesser amount reflects*
10 *the unexpended balance of the amount appropriated*
11 *for the Agricultural Vocational Education in Item*
12 *6110-167-0001 of the Budget Act of 2006 (Chs. 47*
13 *and 48, Stats. 2006).*
14 (62) *\$29,837 or whatever greater or lesser amount reflects*
15 *the unexpended balance of the amount appropriated*
16 *for the California High School Exit Exam Intensive*
17 *Intervention Program in Item 6110-204-0001 of the*
18 *Budget Act of 2006 (Chs. 47 and 48, Stats. 2006).*
19 (63) *\$6,057 or whatever greater or lesser amount reflects*
20 *the unexpended balance of the amount appropriated*
21 *for the School Safety Block Grant in Schedule (1) of*
22 *Item 6110-228-0001 of the Budget Act of 2006 (Chs.*
23 *47 and 48, Stats. 2006).*
24 (64) *\$8,500,000 or whatever greater or lesser amount re-*
25 *flects the unexpended balance of the amount appropri-*
26 *ated for the K-3 Class Size Reduction Program in*
27 *Item 6110-234-0001 of the Budget Act of 2006 (Chs.*
28 *47 and 48, Stats. 2006).*
29 (65) *\$339,439 or whatever greater or lesser amount re-*
30 *flects the unexpended balance of the amount appropri-*
31 *ated for the Pupil Retention Block Grant in Item 6110-*
32 *243-0001 of the Budget Act of 2006 (Chs. 47 and 48,*
33 *Stats. 2006).*
34 (66) *\$98,647 or whatever greater or lesser amount reflects*
35 *the unexpended balance of the amount appropriated*
36 *for the Professional Development Block Grant in Item*
37 *6110-245-0001 of the Budget Act of 2006 (Chs. 47*
38 *and 48, Stats. 2006).*
39 (67) *\$5,130 or whatever greater or lesser amount reflects*
40 *the unexpended balance of the amount appropriated*

- 1 for the Arts and Music Block Grant in Item 6110-265-
2 0001 of the Budget Act of 2006 (Chs. 47 and 48, Stats.
3 2006).
- 4 (68) \$1,941,700 or whatever greater or lesser amount re-
5 flects the unexpended balance of the amount appropri-
6 ated for the Certificated Staff Mentoring Program in
7 Item 6110-267-0001 of the Budget Act of 2006 (Chs.
8 47 and 48, Stats. 2006).
- 9 (69) \$12,844 or whatever greater or lesser amount reflects
10 the unexpended balance of the amount appropriated
11 for the School Safety Block Grant Program pursuant
12 to subparagraph (J) of paragraph (2) of subdivision
13 (a) of Section 31 of Chapter 73 of the Statutes of 2005.
- 14 (70) \$11,705,886 or whatever greater or lesser amount
15 reflects the unexpended balance of the amount appro-
16 priated for adult education programs pursuant to
17 subparagraph (G) of paragraph (2) of subdivision (a)
18 of Section 31 of Chapter 73 of the Statutes of 2005.
- 19 (71) \$1,217,782 or whatever greater or lesser amount re-
20 flects the unexpended balance of the amount appropri-
21 ated for the Prior Year K–12 Education Mandate
22 Claims in Schedule (10) of Item 6110-485 of the
23 Budget Act of 2006 (Chs. 47 and 48, Stats. 2006).
- 24 (72) \$57,239 or whatever greater or lesser amount reflects
25 the unexpended balance of the amount appropriated
26 for the Prior Year K–12 Education Mandate Claims
27 in Schedule (12) of Item 6110-485 of the Budget Act
28 of 2006 (Chs. 47 and 48, Stats. 2006).
- 29 (73) \$40,000 or whatever greater or lesser amount reflects
30 the unexpended balance of the amount appropriated
31 for the specialized secondary programs in Item 6110-
32 122-0001 of the Budget Act of 2007 (Chs. 171 and
33 172, Stats. 2007).
- 34 (74) \$658,800 or whatever greater or lesser amount re-
35 flects the unexpended balance of the amount appropri-
36 ated for the High Priority Schools Grant Program in
37 Schedule (1) of Item 6110-123-0001 of the Budget Act
38 of 2007 (Chs. 171 and 172, Stats. 2007).
- 39 (75) \$40,310 or whatever greater or lesser amount reflects
40 the unexpended balance of the amount appropriated

- 1 *for the Partnership Academies Program in Item 6110-*
2 *166-0001 of the Budget Act of 2007 (Chs. 171 and*
3 *172, Stats. 2007).*
- 4 (76) *\$145,000 or whatever greater or lesser amount re-*
5 *flects the unexpended balance of the amount appropri-*
6 *ated for the National Board Certification Program in*
7 *Item 6110-195-0001 of the Budget Act of 2007 (Chs.*
8 *171 and 172, Stats. 2007).*
- 9 (77) *\$49,774 or whatever greater or lesser amount reflects*
10 *the unexpended balance of the amount appropriated*
11 *for the California High School Exit Exam Intensive*
12 *Instruction Program in Item 6110-204-0001 of the*
13 *Budget Act of 2007 (Chs. 171 and 172, Stats. 2007).*
- 14 (78) *\$41,445 or whatever greater or lesser amount reflects*
15 *the unexpended balance of the amount appropriated*
16 *for the Teacher Dismissal Apportionment Program*
17 *in Item 6110-209-0001 of the Budget Act of 2007*
18 *(Chs. 171 and 172, Stats. 2007).*
- 19 (79) *\$1,003,040 or whatever greater or lesser amount re-*
20 *flects the unexpended balance of the amount appropri-*
21 *ated for the Pupil Retention Program in Item 6110-*
22 *243-0001 of the Budget Act of 2007 (Chs. 171 and*
23 *172, Stats. 2007).*
- 24 (80) *\$167,158 or whatever greater or lesser amount re-*
25 *flects the unexpended balance of the amount appropri-*
26 *ated for the Professional Development Block Grant*
27 *in Item 6110-245-0001 of the Budget Act of 2007*
28 *(Chs. 171 and 172, Stats. 2007).*
- 29 (81) *\$429,880 or whatever greater or lesser amount re-*
30 *flects the unexpended balance of the amount appropri-*
31 *ated for the Certificated Staff Mentoring Program in*
32 *Item 6110-267-0001 of the Budget Act of 2007 (Chs.*
33 *171 and 172, Stats. 2007).*
- 34 (82) *\$7,821 or whatever greater or lesser amount reflects*
35 *the unexpended balance of the amount appropriated*
36 *for the Home to School Transportation Program in*
37 *Schedule (14) of Item 6110-485 of the Budget Act of*
38 *2007 (Chs. 171 and 172, Stats. 2007).*
- 39 (83) *\$281,207 or whatever greater or lesser amount re-*
40 *flects the unexpended balance of the amount appropri-*

1 *ated for the Quality Education Improvement Act in*
2 *subparagraph (B) of paragraph (1) of subdivision (c)*
3 *of Section 52055.770 of the Education Code.*

4 (84) *\$499,639 or whatever greater or lesser amount re-*
5 *flects the unexpended balance of the amount appropri-*
6 *ated to the California Community Colleges in Sched-*
7 *ule (15) of Item 6870-101-0001 of the Budget Act of*
8 *2006 (Chs. 47 and 48, Stats. 2006).*

9 (85) *\$145,359 or whatever greater or lesser amount re-*
10 *flects the unexpended balance of the amount appropri-*
11 *ated to the California Community Colleges for nursing*
12 *faculty recruitment and retention in paragraph (30)*
13 *of subdivision (a) of Section 43 of Chapter 79 of the*
14 *Statutes of 2006.*

15 (86) *\$229,653 or whatever greater or lesser amount re-*
16 *flects the unexpended balance of the amount appropri-*
17 *ated to the California Community Colleges in Sched-*
18 *ule (18) of Item 6870-101-0001 of the Budget Act of*
19 *2006 (Chs. 47 and 48, Stats. 2006).*

20 (87) *\$40,000 or whatever greater or lesser amount reflects*
21 *the unexpended balance of the amount appropriated*
22 *to the California Community Colleges in Schedule*
23 *(15) of Item 6870-101-0001 of the Budget Act of 2007*
24 *(Chs. 171 and 172, Stats. 2007).*

25 (88) *\$59,931 or whatever greater or lesser amount reflects*
26 *the unexpended balance of the amount appropriated*
27 *to the California Community Colleges in Schedule*
28 *(20) of Item 6870-101-0001 of the Budget Act of 2007*
29 *(Chs. 171 and 172, Stats. 2007).*

30 (89) *\$81,824 or whatever greater or lesser amount reflects*
31 *the unexpended balance of the amount appropriated*
32 *to the California Community Colleges in Schedule*
33 *(23) of Item 6870-101-0001 of the Budget Act of 2007*
34 *(Chs. 171 and 172, Stats. 2007).*

35 (90) *\$404,091 or whatever greater or lesser amount re-*
36 *flects the unexpended balance of the amount appropri-*
37 *ated to the California Community Colleges in Sched-*
38 *ule (18) of Item 6870-101-0001 of the Budget Act of*
39 *2007 (Chs. 171 and 172, Stats. 2007).*

(91) \$817,973 or whatever greater or lesser amount reflects the unexpended balance of the amount appropriated to the California Community Colleges in Schedule (6) of Item 6870-101-0001 of the Budget Act of 2007 (Chs. 171 and 172, Stats. 2007).

(92) \$8,738,578 or whatever greater or lesser amount reflects the unexpended balance of the amount appropriated for the Prior Year K–12 Education Mandate Claims of subparagraph (A) of paragraph (3) of subdivision (a) of Section 44 of Chapter 79 of the Statutes of 2006.

Provisions:

3. The sum of ~~\$146,651,000~~ \$38,631,987 is hereby reappropriated to the State Department of Education for transfer by the Controller to Section A of the State School Fund for allocation by the Superintendent of Public Instruction for the purpose of funding CalWORKs Stage 2 child care. The amount reappropriated pursuant to this provision is for use in the 2008–09 fiscal year.

4. The sum of \$164,686,000 is hereby reappropriated to the State Department of Education for transfer by the Controller to Section A of the State School Fund for allocation by the Superintendent of Public Instruction for the purpose of funding CalWORKs Stage 3 child care. The amount reappropriated pursuant to this provision is for use in the 2008–09 fiscal year.

5. *The sum of \$46,161,769 is hereby reappropriated to the State Department of Education for transfer by the Controller to Section A of the State School Fund for allocation by the Superintendent of Public Instruction for the Class Size Reduction Program pursuant to Chapter 6.10 (commencing with Section 52120) of Part 28 of Division 4 of Title 2 of the Education Code.*

SEC. 31. *Item 6870-101-0001 of Section 2.00 of the Budget Act of 2008 is amended to read:*

1	6870-101-0001—For local assistance, Board of Governors	
2	of the California Community Colleges (Proposition	
3	98).....	3,989,230,000
4		<i>3,649,230,000</i>
5	Schedule:	
6	(1) 10.10.010-Appportionments.....	3,170,717,000
7		<i>2,830,717,000</i>
8	(2) 10.10.020-Apprenticeship.....	
9		14,641,000
10	(3) 10.10.030-Growth for Apportion-	
11	ments.....	
12		113,500,000
13	(4) 20.10.004-Student Success for Basic	
14	Skills Students.....	33,100,000
15	(5) 20.10.005-Student Financial Aid Admin-	
16	istration.....	51,269,000
17	(6) 20.10.020-Disabled Students.....	115,011,000
18	(7) 20.10.045-Special Services for Cal-	
19	WORKs Recipients.....	43,580,000
20	(8) 20.10.060-Foster Care Education Pro-	
21	gram.....	
22		5,254,000
23	(9) 20.10.070-Matriculation.....	101,803,000
24	(10) 20.20.020-Academic Senate for the	
25	Community Colleges.....	
26		467,000
27	(11) 20.20.041-Equal Employment Opportu-	
28	nity pursuant to Ch. 1169, Stats.	
29	2002.....	
30		1,747,000
31	(12) 20.20.050-Part-time Faculty Health In-	
32	surance.....	
33		1,000,000
34	(13) 20.20.051-Part-time Faculty Compensa-	
35	tion.....	
36		50,828,000
37	(14) 20.20.055-Part-time Faculty Office	
38	Hours.....	
39		7,172,000

1	(15) 20.30.011-Telecommunications and	
2	Technology Services.....	
3		26,197,000
4	(16) 20.30.050-Economic Development....	
5		46,790,000
6	(17) 20.30.070-Transfer Education and Ar-	
7	ticulation.....	
8		1,424,000
9	(18) 20.40.026-Physical Plant and Instruc-	
10	tional Support.....	
11		27,345,000
12	(19) 20.10.010-Extended Opportunity Pro-	
13	grams and Services and Special Ser-	
14	vices.....	122,291,000
15	(20) 20.30.045-Fund for Student Success....	
16		6,158,000
17	(21) 20.70.010-Career Technical Educa-	
18	tion.....	
19		20,000,000
20	(22) 20.80.010-Campus Childcare Tax	
21	Bailout.....	
22		6,836,000
23	(23) 20.95.010-Nursing Program Support....	
24		22,100,000
25	Provisions:	
26	1. The funds appropriated in Schedules (1), (2), (3), (4),	
27	(5), (6), (7), (8), (9), (11), (12), (13), (14), (15), (16),	
28	(18), (19), and (22) are for transfer by the Controller	
29	during the 2008–09 fiscal year to Section B of the	
30	State School Fund.	
31	2. Notwithstanding any other provision of law, apportion-	
32	ment funding for community college districts shall be	
33	based on the greater of the current year or prior year	
34	level of full-time equivalent students (FTES), consis-	
35	tent with K–12 declining enrollment practices pursuant	
36	to Section 42238.5 of the Education Code. Decreases	
37	in FTES shall result in a revenue reduction at the dis-	
38	trict’s average level of apportionment funding per	
39	FTES and shall be made in the year following the ini-	
40	tial year of decrease in FTES.	

- 1 3. The funds appropriated in Schedule (1) for Apportion-
2 ments include \$31,409,000 to encourage district-level
3 accountability efforts pursuant to Section 84754.5 of
4 the Education Code. It is intended that the Chancellor
5 of the California Community Colleges submit an an-
6 nual report on district-specific accountability measures
7 by March 19 of each year. This report shall reflect
8 outcomes from the most recently completed fiscal year
9 for which data is available pursuant to Section 84754.5
10 of the Education Code.
- 11 4. Of the funds appropriated in Schedule (1), Apportion-
12 ments:
 - 13 (a) Up to \$100,000 is for a maintenance allowance,
14 pursuant to Section 54200 of Title 5 of the Cali-
15 fornia Code of Regulations.
 - 16 (b) Up to \$500,000 is to reimburse colleges for the
17 costs of federal aid repayments related to assessed
18 fees for fee waiver recipients. This reimbursement
19 only applies to students who completely withdraw
20 from college before the census date pursuant to
21 Section 58508 of Title 5 of the California Code
22 of Regulations.
- 23 5. Notwithstanding any other provision of law, the
24 Chancellor of the California Community Colleges
25 shall not reduce district workload obligations for a
26 lack of a funded cost-of-living adjustment.
- 27 6. (a) Of the amount appropriated in Schedule (2) for
28 the Apprenticeship Program, up to \$14,641,000
29 shall be available as necessary upon certification
30 by the Chancellor of the California Community
31 Colleges for the purpose of funding community
32 college-related and supplemental instruction pur-
33 suant to Section 3074 of the Labor Code, as pro-
34 vided in Section 8152 of the Education Code. No
35 community college district shall use funds avail-
36 able under this provision to offer any new appren-
37 ticeship training program or the expansion of any
38 existing program unless the new program or ex-
39 pansion has been approved by the chancellor.

(b) Notwithstanding Section 8152 of the Education Code, each 60-minute hour of teaching time devoted to each indentured apprentice enrolled in and attending classes of related and supplemental instruction as provided under Section 3074 of the Labor Code shall be reimbursed at the rate of \$5.06 per hour. For purposes of this provision, each hour of teaching time may include up to 10 minutes for passing time and breaks.

7. Funds appropriated in Schedule (3), Growth for Apportionments, shall be available first to any districts bringing online in the current fiscal year newly accredited colleges or California Postsecondary Education Commission-approved educational centers. It is the intent of the Legislature that increases in basic foundation allocations to each college be funded prior to additional growth in full-time equivalent students. The Chancellor of the California Community Colleges shall provide a report by November 1 of each year, to the Department of Finance and the Legislative Analyst, on the number of new centers and colleges added for the current fiscal year and those anticipated to be added for the prospective budget year. This report shall also detail the specific funding adjustments provided for basic foundation allocations to each college and center for the current fiscal year.

8. Notwithstanding any other provision of law, funds appropriated in Schedule (3) for Growth for Apportionments shall only be allocated for growth in full-time equivalent students (FTES), on a district-by-district basis, as determined by the Chancellor of the California Community Colleges. The chancellor shall not include any FTES from concurrent enrollment in physical education, dance, recreation, study skills, and personal development courses and other courses in conflict with existing law for the purpose of calculating a district's three-year overcap adjustment. The Board of Governors of the California Community Colleges shall implement the criteria required by subdivision (a) of Provision 5 of Item 6870-101-0001 of the Bud-

1 get Act of 2003 (Ch. 157, Stats. 2003) for the alloca-
2 tion of funds appropriated in Schedules (1) and (3),
3 so as to ensure that courses related to student needs
4 for transfer, basic skills, and vocational/workforce
5 training are accorded the highest priority and are pro-
6 vided to the maximum extent possible within budgeted
7 funds.

- 8 10. Of the amount appropriated in Schedule (1),
9 \$10,000,000 shall only be available for noncredit in-
10 struction to prepare pupils to pass the California High
11 School Exit Examination (CAHSEE). The first priority
12 shall be to serve high school pupils from the class of
13 2007 who met all other graduation requirements except
14 for passage of the CAHSEE. Remaining funds may
15 be used to support other necessary noncredit courses
16 for other pupils who not only did not pass the CAH-
17 SEE, but who did not complete other coursework
18 necessary to meet high school graduation requirements.
19 These funds are intended to supplement but not sup-
20 plant existing funding for these purposes.

- 21 11. The funds appropriated in Schedule (4), Student Suc-
22 cess for Basic Skills Students, shall be allocated as
23 follows:

- 24 (a) \$1,600,000 for faculty and staff development to
25 improve curriculum, instruction, student services,
26 and program practices in the areas of basic skills
27 and English as a Second Language (ESL) pro-
28 grams. The Office of the Chancellor of the Cali-
29 fornia Community Colleges shall select a district,
30 utilizing a competitive process, to carry out these
31 faculty and staff development activities. All col-
32 leges receiving funds pursuant to subdivision (b)
33 shall be provided with the opportunity to partici-
34 pate in the faculty and staff development programs
35 specified in this subdivision. The chancellor shall
36 report on the use of these funds by the selected
37 district to the Legislative Analyst and the Depart-
38 ment of Finance not later than September 1, 2009.
39 (b) \$31,500,000 for allocation by the chancellor to
40 community college districts for improving out-

comes of students who enter college needing at least one course in ESL or basic skills, with particular emphasis on students transitioning from high school.

- (c) Funding specified in subdivisions (a) and (b) shall be distributed to eligible applicants pursuant to Chapter 489 of the Statutes of 2007.
 - (d) The Office of the Chancellor shall work jointly with the Department of Finance and the Legislative Analyst to develop annual accountability measures for this program. It is the intent of the Legislature that annual performance accountability measures for this program utilize, to the extent possible, data available as part of the accountability system developed pursuant to Section 84754.5 of the Education Code. By November 1, 2009, the chancellor shall submit a report to the Governor and Legislature on the annual accountability measures developed pursuant to this process.
12. (a) Of the funds appropriated in Schedule (5) for Student Financial Aid Administration, not less than \$9,864,000 is available to provide \$0.91 per unit reimbursement to community college districts for the provision of board of governors (BOG) fee waiver awards pursuant to paragraph (2) of subdivision (m) of Section 76300 of the Education Code.
- (b) Of the funds appropriated in Schedule (5), not less than \$4,405,000 is available to provide reimbursement of 2 percent of total waiver value to community college districts for the provision of BOG fee waiver awards pursuant to paragraph (2) of subdivision (m) of Section 76300 of the Education Code.
 - (c) Funding provided to community college districts in subdivisions (a) and (b) of Provision 15 is provided to directly offset any mandated costs claimed by community college districts pursuant to Commission on State Mandates Test Claims

99-TC-13 (Enrollment Fee Collection) and 00-TC-15 (Enrollment Fee Waivers).

- (d) (1) Of the amount appropriated in Schedule (5), \$2,800,000 shall be for a contract with a community college district to conduct a statewide media campaign to promote the general message to prospective students as follows: (A) the California Community Colleges (CCC) remain affordable, (B) financial aid and tax credits are available to cover enrollment fees and help with books and other costs, and (C) the active encouragement of contact between pupils and local CCC financial aid offices. Any funds used from this source to produce radio, television, or mail campaigns must emphasize the availability of financial aid, the easiest and most reliable method of accessing the aid, a contact telephone number, an Internet Web site address, where applicable, and the physical location of a financial aid office. Any mail campaign must give priority to existing pupils, recent high school graduates, and 12th graders. The outreach and information campaign should target its efforts in high schools, welfare offices, unemployment offices, churches, community centers, and any other location that will most effectively reach low-income and disadvantaged students who must overcome barriers in accessing postsecondary education. The community college district awarded the contract shall consult with the Chancellor of the California Community Colleges and the Student Aid Commission prior to performing any activities to ensure appropriate coordination with any other state efforts in this area and ensure compliance with this provision.

- (2) Of the amount appropriated in Schedule (5), not more than \$34,200,000 shall be for direct

contact with potential and current financial aid applicants. Each CCC campus shall receive a minimum allocation of \$50,000. The remainder of the funding shall be allocated to campuses based upon a formula reflecting full-time equivalent students (FTES) weighted by a measure of low-income populations as demonstrated by BOG fee waiver program participation within a district. It is the intent of the Legislature, to the extent that funds are provided in this item, that all campuses provide additional staff resources to increase both financial aid participation and student access to low-income and disadvantaged students who must overcome barriers in accessing postsecondary education. Funds may be used for screening current students for possible financial aid eligibility and offering personal assistance to these students in accessing financial aid, providing individual help in multiple languages for families and students in filling out the necessary paperwork to apply for financial aid, and increasing financial aid staff to process additional financial aid forms.

- (3) Funds allocated to a community college district for financial aid personnel, outreach determination of financial need, and delivery of student financial aid services shall supplement, and shall not supplant, the level of funds allocated for the administration of student financial aid programs during the 2001–02 fiscal year.
- (4) It is the intent of the Legislature that the Office of the Chancellor of the California Community Colleges provide the Legislature with a report not later than April 1, 2009, on the use of the funds allocated pursuant to paragraphs (1) and (2) of this subdivision (d), including the distribution of the funds, specif-

ic uses of the funds, strategies employed to reach low-income and disadvantaged students potentially eligible for financial aid, and the extent to which districts were successful in increasing the number of students accessing financial aid, particularly the maximum Pell Grant award.

(5) It is the intent of the Legislature that the chancellor report by September 1, 2008, in the manner and using the factors set forth in paragraph (5) of subdivision (b) of Provision 11 of Item 6870-101-0001 of Section 2.00 of the Budget Act of 2004 (Ch. 208, Stats. 2004), on the impact of outreach efforts on student headcount and FTES enrollment for the 2005–06 and 2006–07 academic years.

13. Of the funds appropriated in Schedule (19) for Extended Opportunity Programs and Services, \$106,786,000 is for Extended Opportunity Programs and Services (EOPS) in accordance with Article 8 (commencing with Section 69640) of Chapter 2 of Part 42 of Division 5 of Title 3 of the Education Code. Funds provided in this item for EOPS shall be available to students on all campuses within the California Community College system, including those students on new campuses or in new districts. In addition, \$15,505,000 is for funding, at all colleges, the Cooperative Agencies Resources for Education (CARE) program in accordance with Article 4 (commencing with Section 79150) of Chapter 9 of Part 48 of Division 7 of Title 3 of the Education Code. The Board of Governors of the California Community Colleges shall allocate funds on a priority basis to local programs on the basis of need for student services.
14. Of the funds appropriated in Schedule (19) for the Extended Opportunity Programs and Services, \$1,900,000 shall be available to support additional textbook assistance grants to community college students as an allowable expenditure consistent with

- 1 paragraph (10) of subdivision (b) of Section 69648 of
2 the Education Code.
- 3 15. The funds appropriated in Schedule (20) for the Fund
4 for Student Success is for additional targeted student
5 services, to be expended as follows:
- 6 (a) \$1,921,000 is for the Puente Project to support up
7 to 75 colleges. These funds are available if
8 matched by \$200,000 of private funds and the
9 participating community colleges and University
10 of California campuses maintain their 1995–96
11 fiscal year support level for the Puente Project.
12 All funding shall be allocated directly to partici-
13 pating districts in accordance with their participa-
14 tion agreement.
- 15 (b) Up to \$2,459,000 is for the Mathematics, Engi-
16 neering and Science Achievement (MESA) Pro-
17 gram. For each dollar allocated, the recipient dis-
18 trict shall provide \$1 in matching funds.
- 19 (c) No less than \$1,778,000 is for the Middle College
20 High School Program. With the exception of fully
21 compliant special part-time students at the com-
22 munity colleges pursuant to Sections 48802 and
23 76001 of the Education Code, student workload
24 based on participation in the Middle College High
25 School Program shall not be eligible for commu-
26 nity college state apportionment. Further, no
27 community college state apportionment shall be
28 made available for physical education classes,
29 noncredit classes, nor other courses specified in
30 Provision 8.
- 31 16. (a) The funds appropriated in Schedule (6) for the
32 Disabled Students Program are for assisting dis-
33 tricts in funding the excess direct instructional
34 cost of providing special support services or in-
35 struction, or both, to disabled students enrolled at
36 community colleges, and for state hospital pro-
37 grams, as mandated by federal law.
- 38 (b) Of the amount appropriated in Schedule (6), no
39 less than \$3,945,000 shall be used to address de-
40 ficiencies identified by the federal Office of Civil

- 1 Rights (OCR), as determined by the Office of the
2 Chancellor of the California Community Colleges.
- 3 (c) Of the amount appropriated in Schedule (6), at
4 least \$943,000 shall be used for support of the
5 High Tech Centers for activities including, but
6 not limited to, training of district employees, staff,
7 and students in the use of specialized computer
8 equipment for the disabled. All High Tech Centers
9 shall meet standards developed by the Office of
10 the Chancellor. Colleges that receive these aug-
11 mentations shall not supplant existing resources
12 provided to the centers.
- 13 (d) Notwithstanding any other provision of law, of
14 the funds appropriated in Schedule (6), \$1,246,000
15 shall be for state hospital adult education pro-
16 grams at the hospitals served by the Coast and
17 Kern Community College Districts since the
18 1986–87 fiscal year. If adult education services
19 at any of the three hospitals are not supported by
20 the community colleges in any portion of the
21 2008–09 fiscal year, remaining funds shall, upon
22 order of the Department of Finance, after 30 days’
23 notice to the Chairperson of the Joint Legislative
24 Budget Committee, be transferred to the State
25 Department of Developmental Services (DDS).
26 For any transfer of funds to DDS during the
27 2008–09 fiscal year, the Proposition 98 base
28 funding levels for community colleges and DDS
29 shall be adjusted accordingly.
- 30 (e) Of the funds appropriated in Schedule (6) for the
31 Disabled Student Services, no less than
32 \$9,600,000 shall be allocated to support high-cost
33 sign language interpreter services and real-time
34 captioning equipment or other communication
35 accommodations for hearing-impaired students
36 based on a 4-to-1 state-to-local district match.
- 37 17. The funds appropriated in Schedule (7), Special Ser-
38 vices for CalWORKs Recipients, are for the purpose
39 of assisting welfare recipient students and those in
40 transition off of welfare to achieve long-term self-

1 sufficiency through coordinated student services of-
2 ferred at community colleges, including workstudy,
3 other educational related work experience, job place-
4 ment services, child care services, and coordination
5 with county welfare offices to determine eligibility
6 and availability of services. All services funded in
7 Schedule (7) shall be for current CalWORKs recipients
8 or prior CalWORKs recipients who are in transition
9 off of cash assistance for no more than two years.
10 Current cash-assistance recipients may utilize these
11 services until their initial educational objectives are
12 met. Former recipients in transition off of cash assis-
13 tance may utilize these services for a period of up to
14 two years after leaving cash assistance subject to the
15 conditions of this provision. These funds shall be used
16 to supplement and not supplant existing funds and
17 services provided for CalWORKs recipients attending
18 community colleges. The Chancellor of the California
19 Community Colleges shall develop an equitable
20 method for allocating funds to all districts and colleges
21 based on the relative numbers of CalWORKs recipients
22 in attendance and shall allocate funds for the following
23 purposes:

- 24 (a) Job placement.
25 (b) Coordination with county welfare offices and
26 other local agencies, including local workforce
27 investment boards.
28 (c) Curriculum development and redesign.
29 (d) Child care and workstudy.
30 (e) Instruction.
31 (f) Postemployment skills training and related skills.
32 (g) Campus-based case management, limited to on-
33 campus assistance and services not provided by
34 county case workers that do not supplant other
35 counseling and academic support services funded
36 through existing California Community Colleges
37 categorical programs.

38 Of the amount appropriated in Schedule (7),
39 \$15,000,000 is for child care and does not require a
40 district match. For the remaining funds, districts shall,

1 as a condition of receipt of these funds, provide a \$1
2 match for every \$1 provided by the state.

3 Funds utilized for subsidized child care shall be for
4 children of CalWORKs recipients through campus-
5 based centers or parental choice vouchers at rates and
6 with rules consistent with those applied to related
7 programs operated by the State Department of Educa-
8 tion in the 2008–09 fiscal year, including eligibility,
9 reimbursement rates, and parental contribution
10 schedules. Subsidized campus child care for Cal-
11 WORKs recipients may be provided during the period
12 they are engaged in qualifying state and federal work
13 activities through attainment of their initial education
14 and training plan and for up to three months thereafter
15 or until the end of the academic year, whichever period
16 of time is greater.

17 Funds utilized for workstudy shall be used solely
18 for payments to employers that currently participate
19 in campus-based workstudy programs or are providing
20 work experiences that are directly related to and in
21 furtherance of student educational programs and work
22 participation requirements, provided that those pay-
23 ments may not exceed 75 percent of the wage for the
24 workstudy positions, and the employers shall pay at
25 least 25 percent of the wage for the workstudy posi-
26 tions. These funds may be expended only if the total
27 hours of education, employment, and workstudy for
28 the student are sufficient to meet both state and federal
29 minimum requirements for qualifying work-related
30 activities.

31 Funds may be used to provide credit or noncredit
32 classes for CalWORKs students if a district has com-
33 mitted all of its funded full-time equivalent students
34 (FTES) and is unable to offer the additional instruc-
35 tional services to meet the demand for CalWORKs
36 students. This determination shall be based on fall
37 enrollment information. Districts shall submit applica-
38 tions to the Office of the Chancellor by October 15 of
39 each year. If the chancellor approves the use of funds
40 for direct instructional workload, the Office of the

1 Chancellor shall submit a report to the Department of
2 Finance and the Joint Legislative Budget Committee
3 by November 15, 2008, that (a) identifies the enroll-
4 ment of new CalWORKs students, (b) states whether
5 and why additional classes were needed to accommo-
6 date the needs of CalWORKs students, and (c) sets
7 forth an expenditure plan for the balance of funds.

8 As a condition of receipt of the funds appropriated
9 in Schedule (7), by the fourth week following the end
10 of the semester or quarter term commencing in January
11 2009, each participating community college shall
12 submit to the Office of the Chancellor a report, in the
13 format specified by the chancellor in consultation with
14 the State Department of Social Services, that includes,
15 but is not limited to, the funded components, the
16 number of hours of child care provided, the average
17 monthly enrollment of CalWORKs dependents served
18 in child care, the number of workstudy hours provided,
19 the hourly salaries and type of jobs, the number of
20 students being case managed, the short-term programs
21 available, the student participation rates, and other
22 outcome data. It is intended that, to the extent practical,
23 reporting from colleges utilize data gathered for federal
24 reporting requirements at the state and local level.
25 Further, it is intended that the Office of the Chancellor
26 compile the information for annual reports to the
27 Legislature, the Governor, the Legislative Analyst, the
28 Department of Finance, and the State Department of
29 Social Services by November 15 of each year.

30 First priority for expenditures of any funds appropri-
31 ated in Schedule (7) shall be in support of current
32 CalWORKs recipients. However, if caseloads are in-
33 sufficient to fully utilize all of the funding in this
34 schedule in a cost-beneficial way, it is intended that
35 up to \$5,000,000 of the funds subject to local matching
36 requirements may be allocated for providing postem-
37 ployment services to former CalWORKs recipients
38 who have been off of cash assistance for no longer
39 than two years to assist them in upgrading skills, job
40 retention, and advancement. Allowable services in-

1 clude direct instruction that cannot be funded under
2 available growth funding, child care to support atten-
3 dance in these classes consistent with this provision,
4 job development and placement services, and career
5 counseling and assessment activities which cannot be
6 funded through other programs. Child care services
7 may only be provided for periods commensurate with
8 a student's need for postemployment training within
9 the two-year transitional period.

10 Prior to allocation of funds for postemployment
11 services, the chancellor shall first secure the approval
12 of the Department of Finance for the allocations,
13 complete a cumulative report on the outcomes, activi-
14 ties, and cost-effectiveness of the program no later
15 than November 15, 2008, in compliance with the
16 Budget Acts of 1998 (Ch. 324, Stats. 1998) and 1999
17 (Ch. 50, Stats. 1999) and this act, and shall provide
18 the rationale and justification for the proposed alloca-
19 tion of postemployment services to districts for transi-
20 tional students.

21 If a district is unable to fully expend its share of child
22 care funds, it may request that the Office of the
23 Chancellor approve a reallocation to other CalWORKs
24 purposes authorized by this provision, subject to all
25 pertinent limitations and district match required for
26 these purposes under this provision.

27 Of the funds appropriated in Schedule (7) for the
28 Special Services for CalWORKs Recipients Program,
29 no less than \$8,000,000 is to provide direct workstudy
30 wage reimbursement for students served under this
31 program, and \$1,000,000 is available for campus job
32 development and placement services.

- 33 18. Funds appropriated in Schedule (7) for the Special
34 Services for CalWORKs Recipients Program have
35 been budgeted to meet the state's Temporary Assis-
36 tance for Needy Families maintenance-of-effort require-
37 ment pursuant to the federal Personal Responsibility
38 and Work Opportunity Reconciliation Act of 1996
39 (P.L. 104-193) and may not be expended in any way

1 that would cause their disqualification as a federally
2 allowable maintenance-of-effort expenditure.

3 19. (a) Funds provided in Schedule (8) for the Foster
4 Care Education Program shall be allocated to
5 provide foster and relative/kinship care education
6 and training. Districts shall ensure that education
7 and training required by Sections 1529.1 and
8 1529.2 of the Health and Safety Code and Section
9 16003 of the Welfare and Institutions Code re-
10 ceive priority. Districts may use any remaining
11 funds for additional parenting skills training.

12 (b) Funds provided in Schedule (8) shall be used for
13 foster parent and relative/kinship care provider
14 education training services consistent with the
15 following criteria:

16 (1) The Chancellor of the California Community
17 Colleges shall use these funds exclusively
18 for foster parent and relative/kinship care
19 provider education and training, as specified
20 by the chancellor in consultation with an ad-
21 visory committee that includes foster parents,
22 representatives of statewide foster parent or-
23 ganizations, parent and relative/kinship care
24 providers, and representatives from the State
25 Department of Social Services.

26 (2) Acceptance of funds under this program shall
27 constitute agreement by the district to comply
28 with such reporting requirements, guidelines,
29 and other conditions for receipt of funding
30 as the chancellor may establish.

31 (3) Each college plan for foster and relative/kin-
32 ship care education programs shall include
33 the provision of training to facilitate the de-
34 velopment of foster family homes, small
35 family homes, and relative/kinship homes to
36 care for no more than six children who have
37 special mental, emotional, developmental, or
38 physical needs.

39 (4) The State Department of Social Services shall
40 facilitate the participation of county welfare

- 1 departments in the foster and relative/kinship
2 care education program.
- 3 20. (a) Funds appropriated in Schedule (9) for the Matric-
4 ulation Program are for the purpose of student
5 matriculation pursuant to Article 1 (commencing
6 with Section 78210) of Chapter 2 of Part 48 of
7 Division 7 of Title 3 of the Education Code.
- 8 (b) Of the amount appropriated in Schedule (9),
9 \$20,000,000 shall be allocated to community
10 college districts on a one-to-one matching funds
11 basis to provide matriculation services, including,
12 but not limited to, orientation, assessment, and
13 counseling, for students enrolled in designated
14 noncredit classes and programs who may benefit
15 most, as determined by the Chancellor of the
16 California Community Colleges pursuant to Sec-
17 tions 78216 to 78218, inclusive, of the Education
18 Code.
- 19 21. The funds in Schedule (13) for the Part-time Faculty
20 Compensation Program shall be allocated solely to
21 increase compensation for part-time faculty from the
22 amounts previously authorized. Funds shall be distribut-
23 ed to districts based on the total actual full-time
24 equivalent students served in the previous fiscal year
25 and include a small district factor as determined by
26 the Chancellor of the California Community Colleges.
27 These funds are to be used to assist districts in making
28 part-time faculty salaries more comparable to full-time
29 salaries for similar work, as determined through each
30 district's local collective bargaining process. These
31 funds shall not supplant the amount of resources each
32 district used to compensate part-time faculty or be
33 used to exceed parity of each part-time faculty em-
34 ployed by each district with regular full-time faculty
35 at the same district, as certified by the chancellor. If
36 a district achieves parity, its allocation may be used
37 for any other educational purpose.
- 38 22. (a) \$24,197,000 of the funds provided in Schedule
39 (15) for the Telecommunications and Technology
40 Services Program shall be for the purpose of

supporting technical and application innovations and for coordination of activities that serve to maximize the utility of the technology investments of the community college system towards improving learning outcomes. Allocations shall be made by the Chancellor of the California Community Colleges, based on criteria and guidelines as developed by the chancellor, on a competitive basis through the RFA/RFP application process for the following purposes:

- (1) Provision of access to statewide multimedia hosting and delivery services for system colleges and districts.
- (2) Provision of systemwide Internet, audio bridging, and telephony.
- (3) Technical assistance and planning, cooperative purchase agreements, and faculty and staff development in a manner consistent with paragraph (3) of subdivision (b) of Provision 17 of Item 6870-101-0001 of Section 2.00 of the Budget Act of 1996 (Ch. 162, Stats. 1996).
- (4) Ongoing support for the California Virtual University Distance Education Program.
- (5) Ongoing support for programs designed to use technology in assisting accreditation and the alignment of curricula across K–20 segments in California.
- (6) Support for technology pilots and ongoing technology programs and applications that serve to maximize the utility and economy of scale of the technology investments of the community college system towards improving learning outcomes.

In addition, a portion of the funds provided in this subdivision shall be available for allocations to districts. It is the intent of the Legislature that these funds be used by colleges to maintain the technology capabilities specified in subdivision (a) of Provision 21 of Item 6870-101-0001 of the

- 1 Budget Act of 2003 (Ch. 157, Stats. 2003). These
2 funds shall not supplant existing funds used for
3 those purposes, and colleges shall match maintenance and ongoing costs with other funds as provided by Provision 21(a) of Item 6870-101-0001 of the Budget Act of 2003 (Ch. 157, Stats. 2003).
- 4
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7 (b) The Office of the Chancellor of the California
8 Community Colleges shall develop the reporting
9 criteria for all programs funded by this item and
10 shall submit that for review along with an annual
11 progress report on program implementation to the
12 Legislative Analyst, the Office of the Secretary
13 for Education, and the Department of Finance no
14 later than December 1 of each year. Reporting
15 shall include summaries of allocations and expenditures by program and by district, where applicable.
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- 18 (c) Of the funds provided in Schedule (15),
19 \$2,000,000 is for ongoing support and expansion
20 of the California Partnership for Achieving Student Success (Cal-PASS) program. As a condition
21 of receipt of these funds, the grantee shall submit
22 to the Office of the Chancellor, by October 15 of
23 each year, all of the following: (1) a report that
24 includes the numbers and percentages of institutions and school districts that have signed agreements and the number and percentage that have actively submitted data in the current year, (2) the results of an annual program evaluation, as prescribed by the chancellor, that sufficiently documents the value and productivity of the program, and (3) an annual financial audit, as prescribed by the chancellor, that includes an accounting of all funding sources and all uses of funds by funding source. It is the intent of the Legislature that all reporting requirements contained in this subdivision shall be completed using funds provided to the grantee.
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- 39 23. Of the funds provided in Schedule (16) for the Economic and Workforce Development Program:
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- 1 (a) \$22,830,000 is allocated for grants for regional
2 business resources assistance and innovation net-
3 work centers. Each grant awarded to a district for
4 Centers for International Development shall con-
5 tain sufficient funds, as determined by the Chan-
6 cellor of the California Community Colleges, for
7 the continued operation of Mexican International
8 Trade Centers.
- 9 (b) \$7,822,000 is allocated for industry-driven region-
10 al education and training collaboratives. These
11 grants shall be made on a competitive basis and
12 the award amounts shall not be restricted to any
13 predetermined limit, but rather shall be funded on
14 their individual merits.
- 15 (c) \$3,609,000 is allocated for statewide network
16 leadership, organizational development, coordina-
17 tion, information and support services, or other
18 program purposes.
- 19 (d) \$4,529,000 is available for Job Development In-
20 centive Training programs focused on job creation
21 for public assistance recipients. Any annual sav-
22 ings from this subdivision shall only be available
23 for expenditure for one-time activities listed under
24 subdivision (j) of Section 88531 of the Education
25 Code.
- 26 (e) \$8,000,000 is allocated for the establishment of
27 a Responsive Incumbent Worker Training Fund,
28 which will serve to expand the delivery of perfor-
29 mance improvement training to employers and
30 incumbent workers in high-growth industries.
31 Funds shall also be used to develop programs that
32 integrate basic skills and career technical educa-
33 tion curriculum in ways that provide students with
34 seamless educational coursework that transitions
35 students into high-tech and high-demand job sec-
36 tors.
- 37 (f) The following provisions apply to the expenditure
38 of funds within subdivisions (a) and (b): Funds
39 allocated for centers and regional collaboratives
40 shall seek to maximize the use of state funds for

subdivisions (g) to (j), inclusive, of Section 88531 of the Education Code. Funds allocated to districts for purposes of subdivisions (g) and (i) of Section 88531 of the Education Code for performance-based training and student internships shall be matched by a minimum of \$1 of private business and industry funding for each \$1 of state funds. Funds allocated for purposes of subdivision (h) of Section 88531 of the Education Code for credit and noncredit instruction may be transferred to Schedule (1) or (3) to facilitate distribution at the chancellor's discretion. Any funds that become available from network centers due to savings, discontinuance, or reduction of amounts shall first be made available for additional allocations in subdivision (b) to increase the level of subsidized training otherwise available.

(g) Funds allocated by the Board of Governors of the California Community Colleges under this provision may not be used by community college districts to supplant existing courses or contract education offerings. The chancellor shall ensure that funds are spent only for expanded services and shall implement accountability reporting for districts receiving these funds to ensure that training, credit, and noncredit programs remain relevant to business needs. Programs that do not demonstrate continued relevance and support by business shall not be eligible for continued funding. The board of governors shall consider the level of involvement and financial commitments of business and industry as primary factors in making awards. The chancellor shall incorporate grant requirements into the guidelines for audits of economic development grants.

(h) Primary objectives of the Economic and Workforce Development Program are to maximize instruction, to prepare students for entry-level jobs, to increase skills of the current workforce, and to stimulate the growth of businesses through train-

ing so that more jobs are created. As part of the annual report on the performance of the Economic and Workforce Development Program, the chancellor shall provide disaggregated data detailing the funding provided to each economic development regional center and each industry-driven regional education and training collaborative, and to the extent practicable, the total number of hours of contract education services, performance improvement training, credit and noncredit instruction, and job placements created as a result of each center and collaborative.

24. (a) The funds appropriated in Schedule (17) for the Transfer Education and Articulation Program are available to support transfer and articulation projects and common course numbering projects.
- (b) Funding provided to community college districts from Schedule (17) is provided to directly offset any mandated costs claimed by community college districts pursuant to Chapter 737 of the Statutes of 2004.
25. (a) \$13,673,000 of the funds appropriated in Schedule (18) is available for the following purposes:
 - (1) Scheduled maintenance and special repairs of facilities. The Chancellor of the California Community Colleges shall allocate funds to districts on the basis of actual reported full-time equivalent students (FTES), and may establish a minimum allocation per district. As a condition for receiving and expending these funds for maintenance or special repairs, a district shall certify that it will increase its operations and maintenance spending from the 1995–96 fiscal year by the amount it allocates from this appropriation for maintenance and special repairs, plus an equal amount to be provided from district discretionary funds. The chancellor may waive all or a portion of the matching requirement based upon a review of a district's finan-

- 1 cial condition. The question of whether a
2 district has complied with its resolution shall
3 be reviewed under the annual audit of that
4 district. For every \$1 a district expends from
5 this appropriation for scheduled maintenance
6 and special repairs, the recipient district shall
7 provide \$1 in matching funds.
- 8 (2) Hazardous substances abatement, cleanup,
9 and repairs.
- 10 (3) Architectural barrier removal projects that
11 meet the requirements of the federal Ameri-
12 cans with Disabilities Act of 1990 (42 U.S.C.
13 Sec. 12101 et seq.) and seismic retrofit pro-
14 jects limited to \$400,000. Districts that re-
15 ceive funds for architectural barrier removal
16 projects shall provide a \$1 match for every
17 \$1 provided by the state.
- 18 (b) \$13,672,000 of the funds appropriated in Schedule
19 (18) is available for replacement of instructional
20 equipment and library materials. For every \$3 a
21 district expends from this appropriation for re-
22 placement of instructional equipment or library
23 materials, the recipient district shall provide \$1
24 in matching funds. The chancellor may waive all
25 or a portion of the matching requirement based
26 upon a review of a district's financial condition.
27 The funds provided for instructional equipment
28 and library materials shall not be used for personal
29 services costs or operating expenses. The chancel-
30 lor shall allocate funds to districts on the basis of
31 actual reported FTES and may establish a mini-
32 mum allocation per district. The question of
33 whether a district has complied with its resolution
34 shall be reviewed under the annual audit of that
35 district.
- 36 (c) The funds appropriated in Schedule (18) shall be
37 available for expenditure until June 30, 2010.
- 38 26. Pursuant to Sections 69648.5, 78216, and 84850, and
39 subdivision (b) of Section 87108, of the Education
40 Code, the Board of Governors of the California Com-

1 community Colleges may allocate funds appropriated in
2 Schedules (6), (9), (11), and (19) by grant or contract,
3 or through the apportionment process, to one or more
4 districts for the purpose of providing program evalua-
5 tion, accountability, monitoring, or program develop-
6 ment services, as appropriate under the applicable
7 statute.

- 8 27. The funds appropriated in Schedule (21) for the Career
9 Technical Education Program are for the purpose of
10 aligning career-technical education curriculum be-
11 tween K–12 and community colleges in targeted indus-
12 try-driven programs offered through the Economic
13 and Workforce Development Program. Prior to the
14 allocation of these funds, the Chancellor of the Cali-
15 fornia Community Colleges, in conjunction with the
16 State Department of Education, shall submit a pro-
17 posed expenditure plan for the funds contained in this
18 item, and the rationale therefor, to the Department of
19 Finance by August 1, 2008, for approval.

20 Of the funds appropriated in Schedule (21),
21 \$2,500,000 is available for the development and en-
22 hancement of health-related career pathway programs
23 in grades 7 to 12, inclusive, and for the articulation
24 and alignment of health-related curriculum between
25 schools with pupils in kindergarten and grades 1 to
26 12, inclusive, and the California Community Colleges.

- 27 28. The funds appropriated in Schedule (22) for the
28 Campus Childcare Tax Bailout shall be allocated by
29 the Chancellor of the California Community Colleges
30 to community college districts that levied child care
31 permissive override taxes in the 1977–78 fiscal year
32 pursuant to Sections 8329 and 8330 of the Education
33 Code in an amount equal to the property tax revenues,
34 tax relief subventions, and state aid required to be
35 made available by the district to its child care and de-
36 velopment program for the 1979–80 fiscal year pur-
37 suant to Section 30 of Chapter 1035 of the Statutes of
38 1979, increased by any cost-of-living increases granted
39 in subsequent fiscal years. These funds shall be used

- 1 only for the purpose of community college child care
2 and development programs.
- 3 29. With regard to the funds appropriated in Schedule
4 (23), Nursing Program Support, all of the following
5 shall apply:
- 6 (a) \$14,000,000 shall be used to provide support for
7 nursing program enrollment and equipment needs
8 consistent with paragraph (2) of subdivision (a)
9 of Section 2 of Chapter 514 of the Statutes of
10 2001. Grant funding for nursing enrollment shall
11 provide a marginal increase in funding in addition
12 to the amount provided for each full-time equiva-
13 lent student for regular growth in apportionments.
- 14 (b) \$8,100,000 shall be used to provide diagnostic
15 and support services, preentry coursework, alter-
16 native program delivery model development, and
17 other services to reduce the incidence of student
18 attrition in nursing programs.
- 19 (d) The Board of Governors of the California Com-
20 munity Colleges shall develop a request for appli-
21 cations (RFA) to allocate the additional
22 \$5,214,000 of funds in subdivision (b) to commu-
23 nity college districts. Criteria for assessing each
24 RFA shall include all of the following:
- 25 (1) The degree to which the funds provided
26 would be used to increase student enrollment
27 in nursing programs beyond the level of full-
28 time equivalent students served in the
29 2007–08 academic year.
- 30 (2) The district’s level of attrition from nursing
31 programs and the suitability of planned ex-
32 penditures to address attrition levels.
- 33 (3) The degree to which funds provided would
34 be used to support infrastructure or equip-
35 ment needs with the intent of building capac-
36 ity and increasing the number of nursing
37 students served.
- 38 (4) For districts with attrition rates of 15 percent
39 or more, new grant funding shall focus on
40 attrition reduction. For districts with attrition

rates below 15 percent, new grant funding shall focus on enrollment expansion.

(e) The board of governors shall release the RFA no sooner than 30 days after submitting it to the Legislature and the Department of Finance for review.

(f) On or before March 1 of each year, the Chancellor of the California Community Colleges shall provide the Legislature and the Department of Finance with a report on the allocation of funding. For each district receiving funding under this item, the report shall include all of the following: (1) the amount of funding received, (2) the number of nursing full-time equivalent students served in the 2006–07 academic year, and the additional number of nursing full-time equivalent students served with funding provided in this item in each subsequent year, (3) the district’s attrition and completion rates in the 2006–07 academic year and subsequent years, (4) any equipment or infrastructure-related items acquired with the funds appropriated in this item, and (5) the number of new and existing faculty receiving annual stipend awards.

SEC. 32. Item 6870-295-0001 of Section 2.00 of the Budget Act of 2008 is amended to read:

6870-295-0001—For local assistance, Board of Governors of the California Community Colleges (Proposition 98), for reimbursement, in accordance with provisions of Section 6 of Article XIII B of the California Constitution or Section 17561 of the Government Code, of the costs of any new program or increased level of service of an existing program mandated by statute or executive order, for disbursement by the Controller.....

4,004,000
3,000

Schedule:

(1) 98.01.000.184-Health Fees (Ch. 1, Stats. 1984, 2nd Ex. Sess.) (CSM-4206).....	3,989,000
	1,000
(2) 98.01.090.896-Sex Offenders: Disclosure Requirements (Ch. 908, Stats. 1996) (CSM-97-TC-15).....	11,000
	1,000
(3) 98.01.028.498-Law Enforcement Jurisdiction Agreements (Ch. 284, Stats. 1998) (CSM-98-TC-20).....	4,000
	1,000

Provisions:

1. Allocation of funds appropriated in this item to the appropriate local entities shall be made by the Controller in accordance with the provisions of each statute or executive order that mandates the reimbursement of the costs, and shall be audited to verify the actual amount of the mandated costs in accordance with subdivision (d) of Section 17561 of the Government Code. Audit adjustments to prior year claims may be paid from this item. Funds appropriated by this item may be used to provide reimbursement pursuant to Article 5 (commencing with Section 17615) of Chapter 4 of Part 7 of Division 4 of Title 2 of the Government Code.
2. If any of the scheduled amounts are insufficient to provide full reimbursement of costs, the Controller may, upon notifying the Director of Finance in writing, augment those deficient amounts from the unencumbered balance of any other scheduled amounts therein. No order may be issued pursuant to this provision unless written notification of the necessity therefor is provided to the chairpersons of the committees in each house of the Legislature that consider appropriations, and the Chairperson of the Joint Legislative Budget Committee or his or her designee.

SEC. 33. Section 12.40 of the Budget Act of 2008 is repealed.

1 ~~SEC. 12.40. (a) Notwithstanding any other provision of law,~~
2 ~~not more than 10 percent of the amount apportioned to any local~~
3 ~~educational agency under the programs funded in this act that were~~
4 ~~funded in Item 6110-230-0001 of Section 2.00 of Senate Bill 160~~
5 ~~of the 1999-2000 Regular Session, as introduced on January 8,~~
6 ~~1999, may be expended by that recipient for the purposes of any~~
7 ~~other program for which the recipient is eligible for funding under~~
8 ~~those items, except that the total amount of funding allocated to~~
9 ~~the recipient under this item that is expended by the recipient for~~
10 ~~the purposes of any of those programs shall not exceed 115 percent~~
11 ~~of the amount of state funding allocated pursuant to the~~
12 ~~appropriations to that recipient for those programs in this act for~~
13 ~~the fiscal year. Notwithstanding any other provision of law, for~~
14 ~~the fiscal year, local educational agencies may also use this~~
15 ~~authority to provide the funds necessary to initiate a conflict~~
16 ~~resolution program pursuant to Chapter 2.5 (commencing with~~
17 ~~Section 32260) of Part 19 of Division 1 of Title 1 of the Education~~
18 ~~Code, and to continue to support following the three-to-five year~~
19 ~~state grant period.~~

20 ~~(b) The education programs that are eligible for the flexibility~~
21 ~~provided in subdivision (a) included the following items: Items~~
22 ~~6110-111-0001, 6110-122-0001, 6110-124-0001, 6110-150-0001,~~
23 ~~6110-167-0001, 6110-181-0001, 6110-193-0001, 6110-209-0001,~~
24 ~~and 6110-224-0001 of Section 2.00.~~

25 ~~(c) Notwithstanding any other provision of law, not more than~~
26 ~~10 percent of the amount apportioned to any local educational~~
27 ~~agency from each of Items 6110-111-0001, 6110-122-0001,~~
28 ~~6110-124-0001, 6110-167-0001, 6110-181-0001, 6110-193-0001,~~
29 ~~6110-209-0001, and 6110-224-0001 may be expended by that~~
30 ~~recipient for programs in Items 6110-119-0001, 6110-128-0001,~~
31 ~~and 6110-203-0001 so that the total expended does not exceed 115~~
32 ~~percent of the state funding for the programs in Items~~
33 ~~6110-119-0001, 6110-128-0001, and 6110-203-0001 for the~~
34 ~~2008-09 fiscal year.~~

35 ~~(d) As a condition of receiving the funds provided for the~~
36 ~~programs identified in subdivision (b), local educational agencies~~
37 ~~shall report to the State Department of Education by October 15~~
38 ~~of each year, on any amounts shifted between these programs~~
39 ~~pursuant to the flexibility provided in subdivision (a). The State~~
40 ~~Department of Education shall collect and provide this information~~

1 to the Joint Legislative Budget Committee, chairpersons and vice
2 chairpersons of the fiscal committees of each house of the
3 Legislature for education, and the Department of Finance by
4 February 1 of each year.

5 SEC. 34. Section 12.42 is added to the Budget Act of 2008, to
6 read:

7 Sec. 12.42. (a) The amounts appropriated in the items set forth
8 in subdivision (b) are each hereby reduced by the percentage
9 determined by dividing 943,773,000 by the sum of the amounts
10 appropriated in the items set forth in subdivision (b).

11 (b) Subdivision (a) shall apply to Items 6110-103-0001,
12 6110-104-0001, 6110-105-0001, 6110-107-0001, 6110-108-0001,
13 6110-113-0001, 6110-119-0001, 6110-122-0001, 6110-123-0001,
14 6110-124-0001, 6110-125-0001, 6110-137-0001, 6110-144-0001,
15 6110-150-0001, 6110-151-0001, 6110-156-0001, 6110-158-0001,
16 6110-166-0001, 6110-167-0001, 6110-181-0001, 6110-182-0001,
17 6110-188-0001, 6110-189-0001, 6110-190-0001, 6110-193-0001,
18 6110-195-0001, 6110-198-0001, 6110-204-0001, 6110-208-0001,
19 6110-209-0001, 6110-211-0001, 6110-220-0001, 6110-224-0001,
20 6110-227-0001, 6110-228-0001, 6110-232-0001, 6110-240-0001,
21 6110-242-0001, 6110-243-0001, 6110-244-0001, 6110-245-0001,
22 6110-246-0001, 6110-247-0001, 6110-248-0001, 6110-260-0001,
23 6110-265-0001, 6110-266-0001, 6110-267-0001, 6110-268-0001,
24 as amended by Chapter 269, Statutes of 2008 and 6360-101-0001
25 of Section 2.00 of the Budget Act of 2008.

26 SEC. 35. Section 35.80 of the Budget Act of 2008 is repealed.

27 SEC. 35.80. (a) Notwithstanding Sections 84320, 84321, and
28 84321.5 of the Education Code and any other provisions of law
29 that cover the regulations adopted by the Chancellor of the
30 California Community Colleges to disburse funds, payment of
31 apportionments to districts pursuant to Sections 84320, 84321,
32 and 84321.5 of the Education Code for January, February, and
33 March shall be deferred to April, May, and June, respectively. The
34 total amount of these apportionment payments deferred for the
35 months of January, February, and March combined shall be
36 \$245,000,000.

37 (b) Notwithstanding any other provision of law, the state shall
38 defer \$2,800,000,000 in disbursements for K-12 local educational
39 agencies from February to April. The disbursement changes shall
40 be made in the following manner:

1 ~~(1) Notwithstanding paragraph (3) of subdivision (a) of Section~~
2 ~~14041 of the Education Code, one half of the payment to be made~~
3 ~~in February pursuant to paragraph (3) of subdivision (a) of Section~~
4 ~~14041 of the Education Code shall be made in February, with the~~
5 ~~other half paid in April.~~

6 ~~(2) The remaining deferral shall be made from Item~~
7 ~~6110-234-0001 of Section 2.00. The deferred funds from that item~~
8 ~~shall be allocated no sooner than April 20, 2009.~~

9 ~~(c) The Director of Finance may exempt from a payment deferral~~
10 ~~made pursuant to subdivision (a) or (b) an entity that submits~~
11 ~~documentation to the Director of Finance establishing to his or her~~
12 ~~satisfaction that the entity would experience a resulting hardship.~~
13 ~~The entity shall submit documentation to the Department of~~
14 ~~Finance not later than November 1, 2008.~~

15 ~~(d) This section shall apply to payments in the 2008-09 fiscal~~
16 ~~year only.~~

17 *SEC. 36. (a) Notwithstanding any other law, fifty-two million*
18 *eight hundred nineteen thousand nine hundred thirty-five dollars*
19 *(\$52,819,935) is reduced from the amount appropriated to the*
20 *Economic Impact Aid Program in Item 6110-128-0001 of Section*
21 *2.00 of the Budget Act of 2008 (Chs. 268 and 269, Stats. 2008).*

22 *(b) Notwithstanding any other law, two million dollars*
23 *(\$2,000,000) is reduced from the amount appropriated to the K-12*
24 *High-Speed Network in Item 6110-182-0001 of Section 2.00 of the*
25 *Budget Act of 2008 (Chs. 268 and 269, Stats. 2008).*

26 *(c) Notwithstanding any other law, two million dollars*
27 *(\$2,000,000) is reduced from the amount appropriated to the*
28 *Teacher Incentives National Board Certification Program in Item*
29 *6110-195-0001 of Section 2.00 of the Budget Act of 2008 (Chs.*
30 *268 and 269, Stats. 2008).*

31 *(d) Notwithstanding any other law, five hundred seventy million*
32 *dollars (\$570,000,000) is reduced from the amount appropriated*
33 *to the State Department of Education for class size reduction in*
34 *kindergarten and grades 1 to 3, inclusive, in Item 6110-234-0001*
35 *of Section 2.00 of the Budget Act of 2008 (Chs. 268 and 269, Stats.*
36 *2008).*

37 *(e) Notwithstanding any other law, one million dollars*
38 *(\$1,000,000) is reduced from the amount appropriated to the Pupil*
39 *Retention Block Grant Program in Item 6110-243-0001 of Section*
40 *2.00 of the Budget Act of 2008 (Chs. 268 and 269, Stats. 2008).*

1 (f) Notwithstanding any other law, one million dollars
2 (\$1,000,000) is reduced from the amount appropriated to the
3 Certificated Staff Mentoring Program in Item 6110-267-0001 of
4 Section 2.00 of the Budget Act of 2008 (Chs. 268 and 269, Stats.
5 2008).

6 (g) Notwithstanding any other law, one million dollars
7 (\$1,000,000) is reduced from the amount appropriated to the
8 California School Paraprofessional Teacher Training Program
9 in Item 6360-101-0001 of Section 2.00 of the Budget Act of 2008
10 (Chs. 268 and 269, Stats. 2008).

11 SEC. 37. Notwithstanding any other provision of law, the
12 unobligated balances from the following items are reappropriated
13 to the State Department of Education for CalWORKs Stage 2 Child
14 Care services, in augmentation of, and for the purposes specified
15 in, Schedule (1.5) (e) of Item 6110-196-0001 of Section 2.00 of the
16 Budget Act of 2008 (Chs. 268 and 269, Stats. 2008):

17 (a) Forty-three million two thousand six hundred fifteen dollars
18 (\$43,002,615) from Schedule (1) of Item 6110-196-0001 of Section
19 2.00 of the Budget Act of 2007 (Chs. 171 and 172, Stats. 2007).

20 (b) Fifty-one million thirty-six thousand five hundred fifty-three
21 dollars (\$51,036,553) from Schedule (1.5)(a) of Item
22 6110-196-0001 of Section 2.00 of the Budget Act of 2007 (Chs.
23 171 and 172, Stats. 2007).

24 (c) Two million eight hundred forty-five thousand six hundred
25 forty-seven dollars (\$2,845,647) from Schedule (1.5)(c) of Item
26 6110-196-0001 of Section 2.00 of the Budget Act of 2007 (Chs.
27 171 and 172, Stats. 2007).

28 (d) Six million three hundred ninety-nine thousand seven
29 hundred one dollars (\$6,399,701) from Schedule (1.5)(d) of Item
30 6110-196-0001 of Section 2.00 of the Budget Act of 2007 (Chs.
31 171 and 172, Stats. 2007).

32 (e) Two hundred seventeen thousand three hundred fifty-three
33 dollars (\$217,353) from Schedule (1.5)(g) of Item 6110-196-0001
34 of Section 2.00 of the Budget Act of 2007 (Chs. 171 and 172, Stats.
35 2007).

36 (f) Four million one hundred twenty-three thousand five hundred
37 seventy-two dollars (\$4,123,572) from Schedule (1.5)(i) of Item
38 6110-196-0001 of Section 2.00 of the Budget Act of 2007 (Chs.
39 171 and 172, Stats. 2007).

(g) Two hundred seventy-four thousand three hundred eighty-one dollars (\$274,381) from Schedule (1.5)(j) of Item 6110-196-0001 of Section 2.00 of the Budget Act of 2007 (Chs. 171 and 172, Stats. 2007).

(h) Three thousand seventy-six dollars (\$3,076) from Schedule (1.5)(k) of Item 6110-196-0001 of Section 2.00 of the Budget Act of 2007 (Chs. 171 and 172, Stats. 2007).

(i) One hundred sixteen thousand one hundred fifteen dollars (\$116,115) from Schedule (1.5)(n) of Item 6110-196-0001 of Section 2.00 of the Budget Act of 2007 (Chs. 171 and 172, Stats. 2007).

SEC. 38. (a) The sum of nine hundred five million seven hundred thousand dollars (\$905,700,000) is hereby appropriated from the General Fund to the State Department of Education. This appropriation reflects the portion of the February 2010 payment for the class size reduction in kindergarten and grades 1 to 3, inclusive, and the June 2010 principal apportionment that is to be deferred until July 2010 and attributed to the 2010–11 fiscal year. Notwithstanding any other law, the department shall encumber the funds appropriated in this section by July 31, 2010. It is the intent of the Legislature that, by extending the encumbrance authority for the funds appropriated in this section to July 31, 2010, the funds will be treated in a manner consistent with Section 1.80 of the Budget Act of 2009. The appropriation is made in accordance with the following schedule:

(1) Six million two hundred twenty-seven thousand dollars (\$6,227,000) for apprenticeship programs to be expended consistent with the requirements specified in Item 6110-103-0001 of Section 2.00 of the Budget Act of 2009.

(2) Ninety million one hundred seventeen thousand dollars (\$90,117,000) for supplemental instruction to be expended consistent with the requirements specified in Item 6110-104-0001 of Section 2.00 of the Budget Act of 2009. Of the amount appropriated by this paragraph, fifty-one million sixty-one thousand dollars (\$51,061,000) shall be expended consistent with Schedule (1) of Item 6110-104-0001 of Section 2.00 of the Budget Act of 2009, twelve million three hundred thirty thousand dollars (\$12,330,000) shall be expended consistent with Schedule (2) of that item, four million six hundred ninety thousand dollars (\$4,690,000) shall be expended consistent with Schedule (3) of

1 *that item, and twenty-two million thirty-six thousand dollars*
2 *(\$22,036,000) shall be expended consistent with Schedule (4) of*
3 *that item.*

4 *(3) Thirty-nine million six hundred thirty thousand dollars*
5 *(\$39,630,000) for regional occupational centers and programs to*
6 *be expended consistent with the requirements specified in Schedule*
7 *(1) of Item 6110-105-0001 of Section 2.00 of the Budget Act of*
8 *2009.*

9 *(4) Four million two hundred ninety-four thousand dollars*
10 *(\$4,294,000) for the Gifted and Talented Pupil Program to be*
11 *expended consistent with the requirements specified in Item*
12 *6110-124-0001 of Section 2.00 of the Budget Act of 2009.*

13 *(5) Forty-five million eight hundred ninety-six thousand dollars*
14 *(\$45,896,000) for adult education to be expended consistent with*
15 *the requirements specified in Schedule (1) of Item 6110-156-0001*
16 *of Section 2.00 of the Budget Act of 2009.*

17 *(6) Four million seven hundred fifty-one thousand dollars*
18 *(\$4,751,000) for community day schools to be expended consistent*
19 *with the requirements specified in Item 6110-190-0001 of Section*
20 *2.00 of the Budget Act of 2009.*

21 *(7) Five million nine hundred forty-seven thousand dollars*
22 *(\$5,947,000) for categorical block grants for charter schools to*
23 *be expended consistent with the requirements specified in Item*
24 *6110-211-0001 of Section 2.00 of the Budget Act of 2009.*

25 *(8) Thirty-eight million seven hundred twenty thousand dollars*
26 *(\$38,720,000) for the School Safety Block Grant to be expended*
27 *consistent with the requirements specified in Schedule (1) of Item*
28 *6110-228-0001 of Section 2.00 of the Budget Act of 2009.*

29 *(9) Five hundred seventy million dollars (\$570,000,000) for*
30 *class size reduction in kindergarten and grades 1 to 3, inclusive,*
31 *to be expended consistent with the requirements specified in Item*
32 *6110-234-0001 of Section 2.00 of the Budget Act of 2009.*

33 *(10) One hundred million one hundred eighteen thousand dollars*
34 *(\$100,118,000) for the Targeted Instructional Improvement Grant*
35 *Program to be expended consistent with the requirements specified*
36 *in Item 6110-246-0001 of Section 2.00 of the Budget Act of 2009.*

37 *(b) For the purposes of making the computations required by*
38 *Section 8 of Article XVI of the California Constitution, the*
39 *appropriations made by subdivision (a) shall be deemed to be*
40 *“General Fund revenues appropriated for school districts,” as*

1 *defined in subdivision (c) of Section 41202 of the Education Code,*
2 *for the 2010–11 fiscal year, and included within the “total*
3 *allocations to school districts and community college districts*
4 *from General Fund proceeds of taxes appropriated pursuant to*
5 *Article XIII B,” as defined in subdivision (e) of Section 41202 of*
6 *the Education Code, for the 2010–11 fiscal year.*

7 *SEC. 39. (a) Notwithstanding Sections 84320, 84321, and*
8 *84321.5 of the Education Code and any other law that covers the*
9 *regulations adopted by the Chancellor of the California Community*
10 *Colleges to disburse funds, two hundred million dollars*
11 *(\$200,000,000) from the payment of apportionments to districts*
12 *pursuant to Sections 84320, 84321, and 84321.5 of the Education*
13 *Code for July 2009, shall be deferred to October 2009.*

14 *(b) Notwithstanding any other law, one billion dollars*
15 *(\$1,000,000,000) from the payment of apportionments pursuant*
16 *to Section 14041 of the Education Code for July 2009, to local*
17 *educational agencies that maintain kindergarten and any of grades*
18 *1 to 12, inclusive, shall be deferred to October 2009.*

19 *(c) Notwithstanding any other law, one billion five hundred*
20 *million dollars (\$1,500,000,000) from the payment of*
21 *apportionments pursuant to Section 14041 of the Education Code*
22 *for August 2009, to local educational agencies that maintain*
23 *kindergarten or any of grades 1 to 12, inclusive, shall be deferred*
24 *to October 2009.*

25 *(d) Notwithstanding subdivisions (b) and (c) and subject to the*
26 *approval of the Director of Finance, the Controller shall issue*
27 *warrants pursuant to Section 14041 of the Education Code that*
28 *include the full amount of the apportionment payments for the*
29 *months of July and August for a local educational agency for which*
30 *the county superintendent of schools certifies to the Superintendent*
31 *of Public Instruction and to the Director of Finance on or before*
32 *May 15, 2009, that the deferral of warrants pursuant to*
33 *subdivisions (b) and (c) will result in qualifying the local*
34 *educational agency for an emergency apportionment pursuant to*
35 *Article 2 (commencing with Section 41320) of Chapter 3 of Part*
36 *24 of Division 3 of Title 2 of the Education Code.*

37 *(e) Notwithstanding subdivision (a) and subject to the approval*
38 *of the Director of Finance, the Controller shall issue warrants*
39 *pursuant to Sections 84320, 84321, and 84321.5 of the Education*
40 *Code that include the full amount of the apportionment payments*

1 for the month of July for a community college for which the
2 Chancellor of the California Community Colleges determines, in
3 consultation with the Director of Finance, on or before May 15,
4 2008, that the deferral of warrants pursuant to subdivision (a) will
5 present an imminent threat to the fiscal integrity and security of
6 the community college.

7 (f) This section shall apply to payments in the 2009–10 fiscal
8 year only.

9 SEC. 40. (a) Notwithstanding Sections 84320, 84321, and
10 84321.5 of the Education Code and any other law that covers the
11 regulations adopted by the Chancellor of the California Community
12 Colleges to disburse funds, the payment of apportionments to
13 districts pursuant to Sections 84320, 84321, and 84321.5 of the
14 Education Code for the months of January and February, in the
15 amount of one hundred fifteen million dollars (\$115,000,000) for
16 each month, and the months of March and April, in the amounts
17 of fifty-five million dollars (\$55,000,000) for each month, shall be
18 deferred to July. The total amount of these payments deferred to
19 the month of July shall be three hundred forty million dollars
20 (\$340,000,000).

21 (b) This section is retroactively operative commencing with the
22 2008–09 fiscal year.

23 SEC. 41. (a) The sum of five hundred forty million dollars
24 (\$540,000,000) is hereby appropriated from the General Fund to
25 the Board of Governors of the California Community Colleges for
26 apportionments to community college districts, for expenditure
27 during the 2010–11 fiscal year, to be expended in accordance with
28 Schedule (1) of Item 6870-101-0001 of Section 2.00 of the Budget
29 Act of 2009.

30 (b) The disbursement of funds appropriated in subdivision (a) shall
31 be deferred until July of the 2010–11 fiscal year. This
32 appropriation and deferment represent one hundred fifteen million
33 dollars (\$115,000,000) of the January apportionment to community
34 college districts, one hundred fifteen million dollars (\$115,000,000)
35 of the February apportionment to community college districts,
36 fifty-five million dollars (\$55,000,000) of the March apportionment
37 to community college districts and fifty-five million dollars
38 (\$55,000,000) of the April apportionment to community college
39 districts, and two hundred million dollars (\$200,000,000) of the
40 June apportionment to community college districts.

1 (c) For the purposes of making the computations required by
2 Section 8 of Article XVI of the California Constitution, the
3 appropriation made by subdivision (a) shall be deemed to be
4 “General Fund revenues appropriated for community college
5 districts,” as defined in subdivision (d) of Section 41202 of the
6 Education Code, for the 2010–11 fiscal year, and included within
7 the “total allocations to school districts and community college
8 districts from General Fund proceeds of taxes appropriated
9 pursuant to Article XIII B,” as defined in subdivision (e) of Section
10 41202 of the Education Code, for the 2010–11 fiscal year.

11 SEC. 42. (a) For the 2008–09 and 2009–10 fiscal years, in
12 order to provide local budgeting flexibility as a result of budget
13 reductions made by the Legislature for the 2008–09 and 2009–10
14 fiscal years, the governing board of a school district or county
15 office of education may use up to 100 percent of the balances, as
16 of June 30, 2008, of restricted accounts in its general fund or
17 cafeteria fund, excluding restricted reserves committed for capital
18 outlay, bond funds, sinking funds, and federal funds, and excluding
19 balances in the following programs:

20 (1) Economic Impact Aid (Article 2 (commencing with Section
21 54020) of Chapter 1 of Part 29 of Division 4 of Title 2 of the
22 Education Code).

23 (2) Targeted Instructional Improvement Grant (former Chapter
24 2.5 (commencing with Section 54200) of Part 29 of Division 4 of
25 Title 2 of the Education Code).

26 (3) Instructional materials.

27 (4) Special education.

28 (5) Quality Education Investment Act of 2006 (Article 3.7
29 (commencing with Section 52055.700) of Chapter 6.1 of Part 28
30 of Division 4 of Title 2 of the Education Code).

31 (6) California High School Exit Exam Intensive Intervention
32 Program.

33 (7) Home-to-school transportation.

34 (b) For purposes of this section, balances of restricted accounts
35 do not include the amounts deferred from the 2006–07 fiscal year
36 to the 2007–08 fiscal year or the amounts deferred from the
37 2007–08 fiscal year to the 2008–09 fiscal year.

38 (c) A governing board shall not use the ending balance in any
39 restricted account if that use would violate a federal maintenance
40 of effort requirement.

(d) This section does not obligate the state to refund or repay funds used pursuant to this section. If a school district uses an ending balance in a restricted account that consists, in whole or in part, of funds reimbursed to the district as a subvention of funds for a state-mandated local program, the school district shall not submit a claim to the state for a subsequent reimbursement of the funds that were reimbursed pursuant to Section 6 of Article XIII B of the California Constitution and used pursuant to the authority granted to a school district pursuant to this section.

(e) A governing board that elects to use balances in restricted accounts pursuant to this section shall report to the Superintendent, in a manner determined by the Superintendent, regarding the programs and amounts of restricted balances used pursuant to subdivision (a). The Superintendent shall report statewide information and information for each school district and county office of education to the Joint Legislative Budget Committee by October 31, 2009.

SEC. 43. (a) Notwithstanding any other provision of law, in order to effectuate the General Fund savings associated with the reductions in appropriations made by this act, the Superintendent of Public Instruction shall reduce the principal apportionment for school districts and county offices of education for the 2008–09 fiscal year, as necessary, if both of the following occur during the 2008–09 fiscal year:

(1) The Controller has disbursed funds from the appropriations reduced by this act in amounts greater than the amounts remaining in those appropriations following the reductions.

(2) The Superintendent determines there is no other way to recover the funds that have been disbursed prior to the end of the 2008–09 fiscal year.

(b) This section shall be broadly construed to effectuate its purpose.

SEC. 44. (a) Notwithstanding Sections 42238.1 and 42238.15 of the Education Code or any other law, the cost-of-living adjustment for Items 6110-104-0001, 6110-105-0001, 6110-119-0001, 6110-122-0001, 6110-124-0001, 6110-128-0001, 6110-150-0001, 6110-156-0001, 6110-158-0001, 6110-161-0001, 6110-167-0001, 6110-181-0001, 6110-189-0001, 6110-190-0001, 6110-193-0001, 6110-196-0001, 6110-203-0001, 6110-209-0001, 6110-211-0001, 6110-224-0001, 6110-232-0001, 6110-234-0001,

1 6110-244-0001, and 6110-246-0001 of Section 2.00 of the Budget
2 Act of 2009 is zero percent for the 2009–10 fiscal year. All funds
3 appropriated in the Budget Act of 2009 in the items identified in
4 this section are in lieu of the amounts that would otherwise be
5 appropriated pursuant to any other provision of law.

6 (b) Notwithstanding Section 42238.1 of the Education Code or
7 any other law, for purposes of Section 48664 of the Education
8 Code the cost-of-living adjustment is zero percent for the 2009–10
9 fiscal year.

10 SEC. 45. Notwithstanding any other provision of law, the funds
11 appropriated pursuant to Items 6110-103-0001, 6110-104-0001,
12 6110-105-0001, 6110-124-0001, 6110-156-0001, 6110-158-0001,
13 6110-161-0001, 6110-190-0001, 6110-211-0001, 6110-234-0001,
14 and 6110-243-0001 of Section 2.00 of the Budget Act of 2009 shall
15 be encumbered by July 31, 2010. This one-month extension of
16 encumbrance authority is provided due to the effect of the deferral
17 of the June 2010 principal apportionment on the budget items
18 specified in this section. It is the intent of the Legislature that, by
19 extending the encumbrance authority for the funds identified in
20 this section to July 31, 2010, the funds will be treated in a manner
21 consistent with Section 1.80 of the Budget Act of 2009.

22 SEC. 46. This act addresses the fiscal emergency declared by
23 the Governor by proclamation on December 19, 2008, pursuant
24 to subdivision (f) of Section 10 of Article IV of the California
25 Constitution.

26 SEC. 47. This act is an urgency statute necessary for the
27 immediate preservation of the public peace, health, or safety within
28 the meaning of Article IV of the Constitution and shall go into
29 immediate effect. The facts constituting the necessity are:

30 In order to make the necessary statutory changes to implement
31 the Budget Act of 2008 at the earliest time possible, it is necessary
32 that this act take effect immediately.

33 ~~SECTION 1. It is the intent of the Legislature to make statutory~~
34 ~~changes relating to the Budget Act of 2008.~~

35 ~~SEC. 2. This act addresses the fiscal emergency declared by~~
36 ~~the Governor by proclamation on December 19, 2008, pursuant~~
37 ~~to subdivision (f) of Section 10 of Article IV of the California~~
38 ~~Constitution.~~

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